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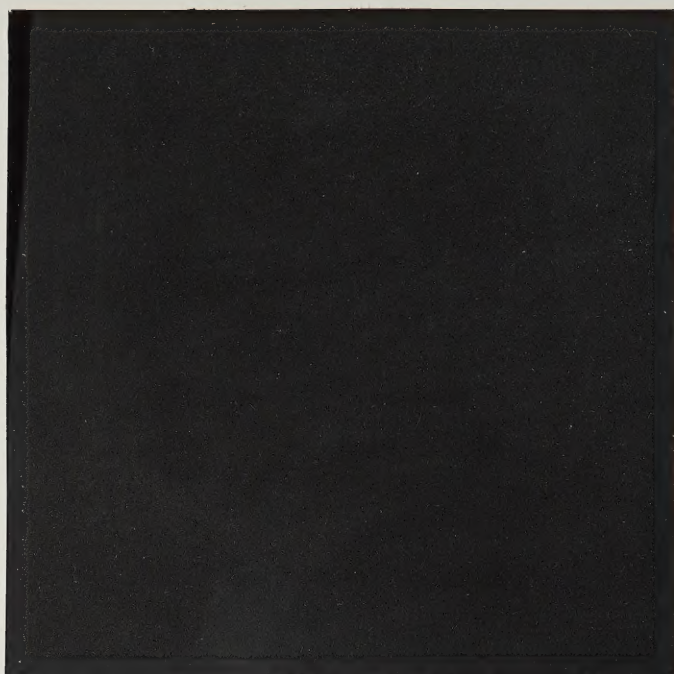
**SMALL BUSINESS ADVOCACY
REPORT NO. 7**

**SMALL BUSINESS REGULATION
AND PAPERBURDEN**

March, 1986

**MINISTRY OF INDUSTRY,
TRADE AND
TECHNOLOGY
ONTARIO**





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Small Business
Department of Regional Industrial
Expansion

SUBMITTED TO:

**SMALL BUSINESS ADVOCACY AND
DEPARTMENT OF REGIONAL INDUSTRIAL
EXPANSION, ONTARIO REGION
BY:**

**THE DPA GROUP INCORPORATED,
TORONTO, ONTARIO**

Submitted to:

Planning and Regional Development
Department of Regional Industrial Expansion
Ontario Region

Submitted by:

The DPA Group Inc.
Toronto, Ontario

SMALL BUSINESS REGULATION/PAPERBURDEN STUDY FOR ONTARIO

FINAL REPORT

March 31, 1986

Submitted to:

Planning and Regional Development
Department of Regional Industrial Expansion
Ontario Region

Submitted by:

The DPA Group Inc.
Toronto, Ontario

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EXECUTIVE SUMMARY

This study identifies and clarifies specific areas of regulatory and paperburden concern in Ontario's small business community (defined for the study purposes to include all companies of less than 100 employees). The study examined the problems and problem sources experienced by the general economic sectors and more specifically the tourism sector. The study also specifically examined problems originating at the federal, provincial, and municipal government levels. The research took a generic approach to problem identification and description. This allowed the type and general characteristics of problems to be identified. It also allowed the assignment of relative priorities on the basis of frequency of problem occurrences and on the basis of perceived importance to the individual companies contacted. The sample of companies contacted involved 101 from the general sector and 139 from the tourism sector.

Results

- ° In both the general and tourism sectors, municipal government is not considered to be the main problem generator.
- ° In the tourism sector, the provincial government is viewed as the level of government which creates the most serious regulatory or paperburden problems.
- ° In the general sector, the results were inconclusive regarding whether the provincial or federal government was the source of the most serious problems.
- ° The following shows the relative impact of the levels of government on the basis of companies which stated a problem:

	General Sector		Tourism Sector	
	# of Co.'s	% of subsample	# of Co.'s	% of subsample
Federal	70	69	81	58
Provincial	65	64	104	75
Municipal	23	23	44	32

- ° At the federal level for both the general and tourism sectors, the four most frequently mentioned problem areas involved: UIC/CPP, Statistical Surveys, Tax, and Metrication. Labour and Customs & Excise were also important for the general sector while Labour was also important for the tourism sector.
- ° At the provincial level Labour, Sales Tax, Health & Safety and Professional/Occupational Licencing were the most frequently occurring problem areas for both the general and tourism sectors. In addition Liquor Laws, Assistance to Business, Statistical Surveys and Human Rights also were frequently occurring problem areas for the tourism sector.
- ° At the municipal level for both the general and tourism sectors, the top two problem areas were Health & Safety and Environmental Management.
- ° In general, the common characteristics used by the respondents to describe the problems identified may be summarized as follows:

Regulatory Problems

- ° Requirements result in high cost of compliance
- ° Requirements result in excessive time for compliance
- ° Requirements are too complex
- ° Requirements hurt small business more than large business

Paperburden Problems

- ° Duplication of information requests
- ° Information requests are too frequent
- ° Information requests are costly to meet
- ° Forms are too complex
- ° Information requests are too detailed/ records needed to be kept are too extensive/ forms used are too long

Administration Problems

- ° Decision-making is too slow
- ° Lack of understanding of small business needs and problems
- ° Erratic decision-making
- ° Unfair treatment
- ° Inconsistent treatment

- ° On a geographic regional basis, there were no significant variations in the level of problems found for both the tourism and for the general sectors.
- ° On a size of company basis, there also was no significant variation in the level of problems found for both the tourism and general sectors. However, when the specific problems were examined, UIC/CPP and Liquor Laws appear to be significantly more of a problem for the 20-49 employee sized companies in the tourism sector.

Recommendations

Based on the research conducted in this study, there appear to be problem areas at all three levels of government which restrict small business. The key areas which should be examined to reduce the paperwork and regulatory burden impacts on the small business community are:

Federal - Income and federal sales tax regulation
 - UIC forms
 - Customs and Excise regulations
 - Transportation of Dangerous Goods regulations

Provincial - Sales tax regulations and forms
 - Public Health and Safety regulations
 - Worker's Compensation administration
 - Liquor Law regulations
 - Human Rights regulations

Municipal - Health and Safety regulations (e.g., building codes)
 - Environmental Management (e.g., zoning)

In the area of statistical surveys (both federally and provincially), the problems are viewed as minor irritants, but they can be improved by providing the opportunity for informational feedback.

The Study Team was unable to consistently quantify the costs of compliance for these problem areas and the number of interviews conducted are viewed as

inadequate to properly address the details of problems identified. It is recommended that a more comprehensive, focused study is needed to develop the details of the major problem areas, the impact of stream-lining regulations, the impact of developing exception criteria for small business, to review the minimum acceptable governmental requirements for the regulations and informational requests, and to develop workable solutions to the identified problems. This can only be accomplished through the participation of small business operators, trade associations, and the government departments involved.

There is currently an Ontario small business advocacy function performed by the Ministry of Industry, Trade and Technology - Small Business Branch. However, the Study Team also suggests that there is a need for an advocate (an advocacy organization) to review the impacts that pending legislation may be expected to have on Ontario's small business sector. (In the U.S., this role is filled federally by the U.S. Small Business Administration, Office of Advocacy and is facilitated legislatively by the U.S. Regulatory Flexibility Act. The effect of this law is that the originating agency for any proposed legislation must consider alternatives which will reduce negative economic impacts to small business.)

1.0 INTRODUCTION

1.1 Background

Over the decades following the Second World War the scope of government regulatory and information gathering activity in North American society has grown enormously. This growth has reflected:

- ° demands from the electorate for protection from problems and abuses arising from the operation of the market system;
- ° heightened awareness of health and environmental risks arising from the use of modern technology and substances;
- ° expectations that government could and should be able to analyze, predict, stimulate, and direct economic activity;
- ° a growing array of social and economic programs tied in some way to the work place (e.g., UIC, Worker's Compensation, Canada Pension); and,
- ° the increasing complexity of the taxation system.

When considered in isolation, each regulation affecting business and each request for information would usually be viewed as reasonable. However, the cumulative impact on the business community of the large volume and wide-range of demands from Federal, Provincial and Municipal Governments has created a widespread negative response.

Spokespersons for small business have argued that the burden of regulatory activity and information gathering (paperburden) has a particularly adverse impact on them. While large businesses can delegate and automate their responses, the key managers and sole proprietors in small businesses are forced to spend hours they can ill afford completing forms and generating information.

Over the past 15 - 20 years this problem has generated numerous demands by business groups in Canada and in the United States for de-regulation and/or the reduction of paperburden. In response, governments have established committees and task forces and undertaken studies. While any such efforts failed to achieve much in the face of the complexity of the problem, there have been some changes arising from these initiatives (e.g., simplified questionnaires for small businesses, controls on government surveys of businesses). However, the pressures on governments to regulate and to seek information have also grown and the irritation level has increased accordingly.

In the Spring of 1985 the Federal Government undertook a series of Small Business consultations and found the small business community unanimous in its view that:

- ° all levels of government, but particularly the Federal Government, require business to provide too much paper;
- ° there is costly duplication, overlap and inconsistency of regulation among levels of government;
- ° interprovincial variations in requirements and in regulations compound the problem of paperburden; and,
- ° regulatory and information gathering processes were often flawed, in terms of how they are developed and implemented.

Ministers responsible for small business have agreed to take action to address these problems. The Federal Government has signed agreements with most provinces providing for joint Federal-Provincial studies to identify and clarify specific areas of concern. In Ontario, the two levels of government agreed on a joint study to cover the general small business community and to focus on the tourism industry as well.

The tourism sector was selected for special attention because it is an important part of the Ontario economy which is highly competitive and which is affected by a wide range of regulatory activities by governments.

1.2 Study Objectives

The objective of this study is to identify and clarify specific areas of regulatory and paperburden concern in the small business sector. While clear elaboration of specific problem areas has been accomplished, as stated in the terms of reference no analysis of the underlying reasons for the problems or the specification of cures has been attempted. The study was not expected to make judgements as to whether the problems raised by small business are real or legitimate, but wherever the data was available the source of the problem has been identified.

The study has identified problems faced by the Ontario small business community in general and it has also focused specifically on problems faced by small business in the Ontario tourism industry. In accordance with the terms of reference, the following categories have been used to classify problems according to jurisdictional factors:

- ° Federal - problems arising solely from the content and/or application of federal regulatory and paperburden requirements;
- ° Provincial - problems arising solely from the content and/or application of regulatory and paperburden requirements of the Ontario government;
- ° Municipal - problems arising solely from the content and/or application of municipal regulatory and paperburden requirements; and
- ° Problems arising as a consequence of overlap/duplication/conflict among federal, provincial, or municipal regulatory and paperburden requirements.

In addition to providing information on the nature, cause and source of the problems (as reported by the interviewees) and accordance to the terms of reference, the Study Team has:

- ° provided some suggested reforms which were identified by respondents; and,
- ° provided general recommendations based on the results of the research in the general sectors.

In examining and reporting on the problems effecting small business in the tourism industry, the Study Team has in accordance with the terms of reference considered:

- ° areas of overlap or duplication with other requirements and indicated where rationalization, reform or removal of particular regulations would benefit the industry; and
- ° the compliance costs associated with government requirements on the basis of the experiences of industry firms.

1.3 Approach

This report presents our findings, conclusions, and recommendations regarding government regulatory problems.

Our work program included:

- ° a review of existing relevant research pertaining to the regulatory and paperburden problems of small business;
- ° brief discussions with 25 trade associations allowing the development of a sufficiently large list of companies which would form the basis of the sample;
- ° extensive telephone interviews with representatives of 240 small businesses; and
- ° telephone interviews with 12 knowledgeable industry and association representatives to clarify some of the results of the company survey and to provide an industry perspective.

A review of the sample by size of company, geographic distribution and industry sector coverage is presented in Appendix B.

A list of the contacts made is presented in Appendix D. The questionnaire developed for the company telephone survey is shown in Appendix E.

2.0 OVERVIEW OF REGULATORY AND PAPERBURDEN PROBLEMS

2.1 Level of Government as a Creator of Regulatory or Paperwork Problems

To develop a sense of priority, each company representative was asked at the close of the interview, which level of government creates the most serious regulatory or paperburden problem for their company. The results represent an overview perspective on the part of the respondent and are shown in Table 1.

TABLE 1: RESPONDENT'S PERCEPTION OF LEVEL OF GOVERNMENT CREATING THE MOST SERIOUS PROBLEMS

	General Subsample		Tourism Subsample		Total	
	Companies	%	Companies	%	Companies	%
Federal	40	39	24	17	64	37
Provincial	35	35	79	57	114	47
Municipal	9	9	19	14	28	12
No Problems	17	17	17	12	34	14
	101	100	139	100	240	100

In the general subsample there appears to be only a minor (4%) difference between the general assessment of the federal and provincial government. However, municipal government is clearly not considered to be the main problem generator. In the industrial sectors which are relatively homogeneous, and which have enough responses to allow a reliable comment, only construction identified a significant difference between the federal and provincial governments when considering the main source of problems. In this sector the provincial government was viewed as creating the most serious problems. There was not, however, enough consistency among responses to identify a single problem area or department which is responsible for the overall ratings. Table A-1 in Appendix A shows on an industry sector basis, the level of government which is viewed as creating the most serious problems in the general subsample.

In the tourism subsample the provincial government is clearly viewed as the level of government which creates the most serious regulatory or paperburden problems. However, within industry groupings only the restaurant and food service establishments were consistent in the identification of the most important provincial government problem. These consistent concerns relate to the problems with the regulations and paperwork involved with the liquor laws. Details of specific problems are discussed later in the report. Table A-2 in Appendix A shows on an industry grouping basis, the level of government which is viewed by the tourism industry as creating the most serious problems.

2.2 Government Divisions as a Source of Problems

2.2.1 Federal Government

Each respondent was asked if they experienced regulatory or paperburden problems in any of the areas of government control. Up to 5 areas could be selected per level of government. For identification purposes, the federal government was categorized into 20 identifiable areas of control. These are shown in Figure A-1 of Appendix A. The frequency with which each area of government control was identified as a source of problems indicates the relative importance of the area as a source of problems. While some problems are considered more irritating or restricting than others, this approach recognizes all areas identified by the respondent as a problem and as a potential area for attention.

The charts on the next page summarize the source of problems identified by the general sector and by the tourism sector. Tables A-3 and A-4 in Appendix A show by industry sector, the areas of federal government control which were identified as sources of problems by the general and tourism subsamples respectively.

Sources of Federal Problems: General Sector

	Responses	%
° Customs and Excise	11	8
* ° Metrication	14	11
* ° Tax	19	14
* ° Statistical Surveys	22	17
* ° UIC/CPP	27	20
	<hr/>	<hr/>
	93	72
* ° Labour	8	6
° Consumer Protection/Information	7	5
° Transportation	6	4
	<hr/>	<hr/>
	114	87
Total Responses	130	100

Problems per interview (130/70) 1.86

No problem cases for subsample 31 or 31%

* problems common to both the general and tourism sectors

Sources of Federal Problems: Tourism Sector

	Responses	%
° Human Rights	14	10
* ° Metrication	14	10
* ° Tax	21	14
* ° Statistical Surveys	23	15
* ° UIC/CPP	33	23
	<hr/>	<hr/>
	105	72
* ° Labour	10	7
° Assistance To Business	9	6
° Communications	8	5
	<hr/>	<hr/>
	132	90
Total Responses	146	100

Problems per interview (146/81) 1.80

No problem cases for subsample 58 or 42%

* problems common to both the general and tourism sectors

The general and tourism results are very similar. Despite the variance in type of businesses, the same four areas of federal control (UIC/CPP, statistical surveys, tax and metrication) were the most frequently mentioned categories for problem generation in both the tourism and general subsamples. Even the relative percentage of problems identified in each subsample are the same for these four categories. Labour was also the sixth most frequently identified problem area in both subsamples.

When considering the relative importance of federal government sources of problems on a frequency of response bases, the non-response or no problems encountered data is a reasonable monitor. This data suggests that the federally sourced problems are more important to the general sector (31% of respondents had no federal problems) than to the tourism sector (42% of the respondents had no federal problems).

2.2.2 Provincial Government

Sources of Provincial Problems: General Sector

	Responses	%
* ° Professional/Occupational Licencing	11	10
* ° Health and Safety	15	14
* ° Sales Tax	21	20
* ° Labour	26	25
	<hr/>	<hr/>
	73	69
° Tax	6	6
° Food Production and Distribution	6	6
	<hr/>	<hr/>
	85	81
Total Responses	105	100

Problems per interview (105/65) 1.62

No problem cases for subsample 36 or 36%

* problems common to both the general and tourism sectors

Sources of Provincial Problems: Tourism Sector

	Responses	%
* ° Professional/Occupational Licencing	11	4
° Statistical Surveys	19	8
° Assistance to Business	20	8
* ° Health and Safety	31	13
* ° Labour	38	15
* ° Sales Tax	47	19
° Liquor Laws	49	20
	<hr/>	<hr/>
	215	87
° Environmental Management	9	4
° Transportation	6	2
	<hr/>	<hr/>
	230	93
Total Responses	248	100

Problems per interview (248/104) 2.38

No problem cases for subsample 35 or 25%

* problems common to both the general and tourism sectors

The problems per interview data again reflects the fact that the tourism sector identified significantly more problems in dealings with the provincial government than in dealings with the federal government (2.38 vs. 1.80) and also more problems in dealings with the provincial government than the general sector encounters (2.38 vs. 1.62). This is supported also by the provincial non-problem rates (25% for the tourism sector vs. 36% for the general sector). However, the main four problem areas in the general sector (Labour, Sales Tax, Health and Safety, and Professional/Occupational Licencing) again appear as significant problems for the tourism sector (based solely on frequency of identification). For the tourism sector the main area of concern in dealing with the provincial government is liquor laws. Figure A-2 in Appendix A lists all the provincial government categories used to classify problems and Tables A-5 and A-6 display the frequency of provincial problems identified by industry sector for the general subsample and the tourism subsample respectively.

2.2.3 Municipal Government

Sources of Municipal Problems: General Sector

	Responses	%
* ° Environmental Management	10	38
* ° Health and Safety	10	38
	<hr/>	<hr/>
	20	76
Total Responses	26	100

Problems per interview (26/24) 1.08

No problem cases for subsample 78 or 77%

* problems common to both the general and tourism sectors

Table A-7 in Appendix A shows by industry sector, the areas of municipal government which were identified as a source of a problem by the general subsample. Figure A-3 in Appendix A lists the municipal government categories used to classify problems.

Sources of Municipal Problems: Tourism Sector

	Response	%
* ° Environmental Management	11	19
* ° Health and Safety	28	47
	<hr/>	<hr/>
	39	66
° Taxes	8	14
Total Responses	59	100

Problems per interview (59/44) 1.34

No problem cases for subsample 95 or 68%

* problems common to both the general and tourism sectors

Table A-8 in Appendix A shows by industry sector, the areas of municipal government which were identified as a source of a problem by the tourism subsample.

In the area of Municipal government oriented problems, more than 2/3 of both subsectors indicated no regulatory or paperburden problems. As with the other levels of government, the main areas of concern were the same for both tourism and the general sector respondents (i.e., Environmental Management and Health and Safety).

2.3 Relative Severity of Problems for the Company Involved

During the interview process the respondent was asked to identify the most irritating or restricting problem faced at each government level. This response implied a priority to the problems listed (as described in Section 2.2). The respondent was then asked to rate this (most important problem) in terms of its impact on the company (e.g., a ranking of 1 = severe, 3 = moderate, 5 = minor). As may be expected the problem areas identified did not receive consistent rankings across industry groupings and for many problem areas it was not rated frequently enough to establish a trend among respondents.

The following is a general summary of the problem severity as perceived by small business:

<u>Relative Severity of Problems</u>	
<u>Problem Area</u>	<u>Rating</u>
a) General Sector	
° Federal	
° Statistical Surveys	° moderate to minor
° Tax	° moderate
° UIC	° moderate to severe
° Customs and Excise	° moderate to severe
° Provincial	
° Statistical Surveys	° minor
° Sales Tax	° moderate to severe
° Health and Safety	° moderate to severe
° Worker's Compensation	° moderate
° Municipal	
° Environmental Management (e.g., zoning)	° moderate

<u>Problem Area</u>	<u>Rating</u>
b) Tourism Sector	
° Federal	
° Statistical Surveys	° moderate to minor
° Tax	° moderate
° UIC	° moderate to severe
° Human Rights	° moderate to severe
° Provincial	
° Statistical Surveys	° moderate to minor
° Sales Tax	° moderate
° Health and Safety	° moderate to severe
° Liquor Laws	° moderate to severe
° Municipal	
° Health and Safety	° moderate to severe

2.4 Description of Identified Problem Areas

2.4.1 Data Limitations

Respondents described their irritating or restricting problems using a list of standardized characteristics for the different types of problems. Where several problems were identified for a specific level of government, only the most important one was described. While this approach is efficient in a telephone interview, it restricts the total number of problems described and it also limits the opportunities for consistent descriptions of similar problems. The problems in this section are described in terms of typical problem characteristics, but because of the relatively low frequency of descriptions for each problem area no quantitative analysis has been attempted.

2.4.2 General Problem Characteristics

Based on common responses concerning regulatory problems associated with each of the three levels of government, the characteristics can be summarized as follows:

<u>Sources and Nature of Regulatory Problems</u>			
<u>Level of Government</u>			<u>Problem Characteristics</u>
Federal	Provincial	Municipal	
X	X	X	° requirements result in a high cost of compliance
X	X	X	° requirements result in excessive time required for compliance
X	X	X	° requirements are too complex
	X		° requirements cannot be met (or are met with great difficulty)
X			° requirements do not achieve the intended purpose
X	X	X	° requirements hurt small business more than large business
X	X		° requirements inhibit entrepreneurship or stifle risk-taking
	X		° requirements change frequently

For the federal government, regulatory problems involve metrication, tax, labour, consumer protection, transportation, human rights, and communications. For the provincial government, regulatory problems involve professional occupational licencing, health and safety, sales tax, labour, food production and distribution, liquor laws, environmental management, and transportation. For municipal government, regulatory problems involve health and safety, environmental management, and taxes.

The paperburden problems concerning three levels of government, have the following general characteristics:

Sources and Nature of Paperburden Problems

<u>Level of Government</u>			<u>Problem Characteristics</u>
Federal	Provincial	Municipal	
X			° retention periods are too long
X	X		° duplication of information requests
X	X		° information requests are too frequent
X	X		° information requests are too costly to meet
X			° information requests seek sensitive information
X			° no apparent pay-off to small business for supplying information
X	X		° forms are too complex
X	X		° information requests are too detailed, records needed to be kept are too extensive, and forms used are too long

For the federal government, paperburden problems involve customs and excise, tax, statistical surveys, UIC/CPP and labour. For the provincial government, paperburden problems involve sales tax, labour, tax, transportation, statistical surveys, assistance to business, and liquor laws. For the municipal government, no paperburden problems were identified.

The administration problems concerning the three levels of government have the following general characteristics:

Sources and Nature of Administration Problems

<u>Level of Government</u>			<u>Problem Characteristics</u>
Federal	Provincial	Municipal	
	X		° lack of openness or flexibility
X	X	X	° decision-making is too slow
	X		° authorities not responsible
	X		° not timely
X	X	X	° lack of understanding of small business needs and problems
	X	X	° erratic decision-making (appear to be arbitrary)
X	X	X	° unfair treatment
X	X	X	° inconsistent treatment
	X		° over-reaction

For the federal government, administration problems involve customs and excise, and assistance to business (i.e., Canadian Manpower programs). For the provincial government, administrative problems involve health and safety, labour, assistance to business, liquor laws, and environmental management. For the municipal government, administration problems involve health and safety and environmental management. Tables A-9 to A-16 in Appendix A present the typical characteristics used by the respondents to describe the major problem areas for each level of government.

2.5 Geographic Variation

The sample was designed using geographic location, company size and industry composition to achieve a reasonable representation of the actual composition of the small business sector in Ontario. These criteria also allow analysis of the results by geographic region, size and industry. In this section geographic variation is examined with the intent to identify areas of high problem concentration which may be potential areas of focus for future problem solving efforts. Figure 1 presents the geographic boundaries used.

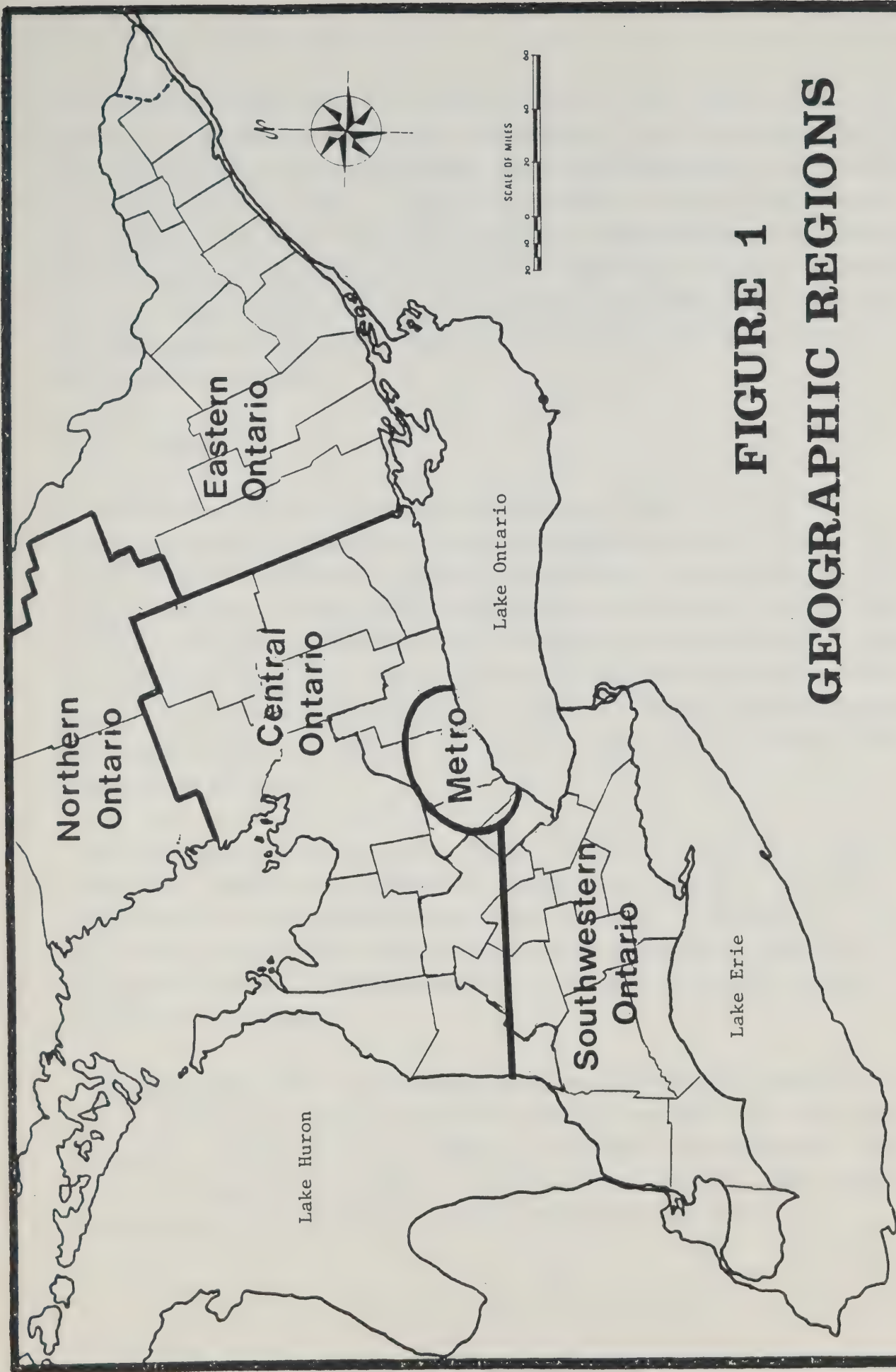


FIGURE 1
GEOGRAPHIC REGIONS

As with all such analyses of this sample data, the small sample size, small number of problems experienced, and non-homogeneity of the business types does not allow the rigorous use of standard statistical techniques. The approach taken is simple but rough. A region is considered to have a significantly high number of problems if the total problems actually experienced exceeds by five the number of problems which would be expected for the region (assuming that the actual problems for Ontario were distributed among the regions on the basis sample population). Table A-17 in Appendix A shows the results of the geographic analysis.

2.5.1 Tourism

For the Tourism sector at the federal government level, there are no significant regional differences in problems experienced other than those explained by the difference in regional population. For individual problem categories, metro companies seem to experience more problems in Human Rights, UIC/CPP and Statistical Surveys than would be expected on the basis of sample population. However, the sample size is too small to make any significant comment and these small differences (less than 5 companies experiencing more problems than would be expected) could also be the result of industry group variances by region.

At the provincial government level, there are again no significant regional variations. However, for individual problem categories, metro companies again appeared to experience more problems than would be expected with the Liquor Laws and the Sales Tax. Northern companies appeared to experience more problems than would be expected with Sales Tax, Statistical Surveys, and Assistance to Business.

At the municipal level of government, metro region appears to experience a significantly larger number of problems than would be expected on the basis of regional populations alone. Although the numbers are again small, metro had 10 more companies with apparent problems than would have been expected. This difference is largely due to Health and Safety problems.

2.5.2 General Sector

In the general sector there are insufficient companies from each industry grouping included in the sample to identify individual problems on a geographic basis. The results are affected to a large degree by industry traits and this will tend to obscure any true regional differences at the specific problem level. There were no significant regional differences found at the federal, provincial or municipal levels of government problems.

2.6 Size Variation

Applying the approach used to assess geographic differences, the sample results have been analysed by size of company. Company size is determined by the number of paid employees expressed in full-time equivalents (F.T.E.). The categories used are 1-19, 20-49, and 50-99 F.T.E. The results are presented in Table A-18 in Appendix A. There were no significant problem differences found in the data which could be explained by size of company using these categories. These findings apply equally well to tourism as to the general sector.

When the size data was examined on a problem specific basis for the tourism sector the following differences appear to be significant:

Problems by Company Size

Problem Area	Company Size		
	1-19	20-49	50-99
° UIC/CP			
Actual Problems Experienced	19	11	3
Expected Level	25.2	5.9	1.9
Difference	(6.2)	5.1	1.1
° Liquor Licencing			
Actual Problems Experienced	27	13	4
Expected Level	33.6	7.9	2.5
Difference	(6.6)	5.1	1.5

These results suggest that the 20-49 F.T.E. sized companies are more concerned about or affected by these laws. While other results were less than the significance threshold of 5 problems, the following may also indicate some correlation between size and problem areas (if the sample was

large enough): Provincial - Labour - 20-49 F.T.E. Companies

- Statistical Surveys 1-19 F.T.E. Companies

Municipal - Health and Safety 20-49 F.T.E. Companies

(The small sample size and lack of homogeneity prevents meaningful detailed analysis of the general sector data.)

3.0 PROBLEMS EXPERIENCED BY INDUSTRIES IN THE GENERAL SECTOR

3.1 Introduction

Each industry grouping as per the sample structure, has both unique and generic problems which are related mainly to regulations and paperburden. In this Chapter, the problems of each industry grouping in the general sector have been described from the perspective of the respondents contacted. In most cases there were enough similar problems identified to imply that the descriptions may be representative of the industry concerns (rather than simply unique concerns). Where a small number of interviews were conducted in a particular sector, these sectors have not been presented. There are anecdotal descriptions of some problems presented in Appendix C.

3.2 Construction

a) Federal

- ° UIC-forms are considered time consuming. The construction industry is relatively seasonal in nature and has a high employee turnover. As a result, UIC remittances must be calculated separately for each week as opposed to having a set week. Employers must go back through their records to meet UIC requests. It was also felt that required records of employment are too complex, that there is some duplication of information in the requests and that the required turnaround time is unreasonable.
- ° Mettrication - need for a uniform system. Both the metric and imperial measurement systems are used in this industry. Blueprints often contain a confusion of both systems requiring that each blueprint be scrutinized for consistency and that employees be proficient in both measurement systems.
- ° Statistics Canada - information requests are irritating. Statistics Canada information requests are considered time consuming and it is felt that they often duplicate provincial surveys.

b) Provincial

- ° Standards - need for regulation. Several respondents suggested that the construction industry requires a higher degree of regulation. It was felt that the trades should be licenced and that the workers should undergo competence testing. This would help provide a base skill level and make use of the labour pool more efficient. One respondent also suggested that there is a need for higher building code standards. It was felt that due to price competition, everyone is forced to build to minimum standards but that the minimums are, in fact, too low.
- ° Statistical Surveys - information not available. Respondents suggested that the information asked for by provincial surveys is hard to obtain, time consuming and sometimes not relevant to the industry.
- ° Worker's Compensation - too much effort. In compensation cases, it was felt that too much correspondence is conducted with the board and that too many forms have to be filled out. It was also indicated that the authorities do not adequately police the system.

c) Municipal

- ° Planning/Zoning - decision process is too slow. The decision-making process was considered too slow in both subdivision and zoning approvals. This creates a hurdle to company development. In the view of some respondents the decision process also produced erratic results.

3.3 Manufacturing

a) Federal

- ° Sales Tax - ruling and exemptions. Sales tax is a problem area mentioned by manufacturers of each type. One aspect of this problem involves the need to verify federal sales tax exemptions where applicable. Manufacturers are required to obtain rulings regarding which of their customers qualify for sales tax exemptions. Not only does this require considerable administration time, but the problem is compounded because the terms of exemption are not always ruled upon

consistently. For example, a particular customer may be exempt from sales tax under the rulings of a revenue decision-maker in Hamilton, but not exempt under a different decision-maker in Ottawa. In cases where there are various branch offices this adds confusion to an already complex procedure. In addition, tax exemption forms have to be kept on each transaction where a federal sales tax exemption is granted. Preparing and keeping these forms creates extra workload.

Changes to federal sales tax rates create both regulatory and paperwork problems. The federal sales tax rates were considered to change too frequently. Each time this change occurs, manufacturers who include the federal sales tax on their price lists, are required to change all the prices on their price lists and redistribute their list to their customers. This is not only administratively time consuming but also expensive. In some cases, an increase in federal sales tax (even as small as 1%) can put small manufacturers in a difficult competitive position, because many operate on very tight margins. A change in a federal sales tax rate not only adds to management workload, but can lead to a reassessment of financial planning and price decisions.

- UIC - complex forms. Another universal complaint covered the paperburden caused by the need to complete UIC separation forms. In general the separation form is too complex. The recommendation is that the form be simplified.
- Transportation of Dangerous Goods - regulations are unintelligible. With the exception of food and tobacco producers, manufacturers universally complained about the complexity and the administration involving the transport of dangerous goods regulations. The regulations are regarded as overly complex. The manual which interprets these regulations is approximately 600 pages long and is so complicated that only a chemist can understand it. Respondents reported that they deal with this problem by phoning the Department of Transport on a regular basis to request an interpretation on each particular questionable substance that they deal with. In some cases, they will eliminate a certain product altogether, to avoid the problem.

- ° Statistics Canada - requests are too frequent. The nature of the complaints regarding Statistics Canada were basically that:

- ° information requests are too frequent;
- ° time required for responding is too short; and
- ° there is no apparent pay-off for small business.

There is a general perception, however, that the situation is improving in terms of frequency of request. Many interviewees reported that it had been more of a problem in the past. The attitude of participating companies would apparently improve significantly if businesses could receive meaningful feedback related to the information that they provide.

- ° Customs - problems improving. Manufacturers reported that forms and procedures used by customs programs particularly in reporting the import of raw materials across the Canadian border were too complex. However, it was also reported in this that the procedures were vastly improving and that duplication was being reduced. The Study Team is aware of a stream-lining process currently being implemented by Revenue Canada in its Customs and Excise Program and it is worthy of noting that the effects of this stream-lining are being felt.
- ° Metrickation - need for consistency of use. Areas such as printing within the manufacturing sector reported that there are still certain difficulties arising from metrickation regulations. The nature of the problem arises from a need for consistent reporting. Newspapers, for example, reported excessive administration time and paperwork required to track down advertising clients who had submitted ads with prices in imperial measures only. (Consumer protection legislation require advertisements within a particular publication to be published with consistent weights and measures so that comparative shopping may be done.)

b) Provincial

- ° Worker's Compensation - detailed records required. Problems or irritations faced by manufacturers as a result of provincial

regulations or paperwork arose mainly from the area of labour. Worker's Compensation was almost universally reported as an area requiring revision. The accident report forms, and administration required to comply with Worker's Compensation regulations is considered overly complex. In addition, the Worker's Compensation Board is considered to be arrogant and difficult to deal with. Several interviewees complained that Worker's Compensation representatives were difficult to reach and when they were contacted, they would respond either in an abrupt manner or would waste the inquirer's time by putting them "on hold" for a long period of time. Further, decision-making in this area is too slow. In the area of labour collective bargaining, regulations and procedures are cumbersome, complex, and restrictive. The intent of these regulations is to protect employees from "sweat shop" conditions which are very rare among small business. As such, the requirement imposed by these regulations are out-of-date and do not achieve their intended purpose. Several interviewees suggested that the legislation governing collective bargaining should be reviewed and up-dated to reflect the more current employee/employer conditions.

- ° Sales Tax - detailed records and exemptions. Provincial sales tax was another area where the paperwork required to keep records of collection exemptions was considered a burden and overly complex. Any streamlining of forms or procedures in the area of sales tax, would be welcomed.

c) Municipal

- ° Manufacturers did not consistently report any problems arising out of municipal areas. One or two respondents had experienced difficulty with approvals to expand their plant due to zoning or building regulations. The problem does not appear to be of a universal nature, however. Any problems in this area appear to stem from overly legalistic applications of particular municipal by-laws which were intended to protect the aesthetic appeal of the environment.

3.4 Transportation

a) Federal

- ° Transportation of Dangerous Goods - complex regulations. The major problems reported by persons in the transportation industry involve transportation of dangerous goods regulations.

Under the Transportation of Dangerous Goods Act, the driver must carry documentation of the load so that he is knowledgeable about what is being hauled and how it should be handled, ensure that the load is clearly labeled, and, in case of an accident, must contact all individuals involved.

Under the Spills Bill, Environmental Protection Act, Part 9, absolute liability is placed on the transport company.

b) Provincial

- ° Vehicle Licencing - duplication in interprovincial licences. The major problem arising from the provincial jurisdiction for the transportation industry was in the area of vehicle licencing. The problem involves the requirement for individual licences to be obtained from each province in order to transport goods in that provincial jurisdiction. Not only are the licencing forms complex, but a duplication of effort is created by having to apply for licences in each province.

c) Municipal

- ° Vehicle Licencing - overlap with provincial licencing. There were few interviews conducted in this sector, but at least one representative reported that there was a requirement to be licenced to transport goods within particular municipalities. This adds to the paperburden regarding licencing and the respondent suggested that it should be eliminated wherever possible.

3.5 Wholesale

a) Federal.

- ° Statistics Canada - requests are time consuming. Information requests are considered too frequent by this sector. The forms are complex and require a lot of time to gather the required information. Some individuals indicated that they would be more sympathetic to supplying information if they had a better understanding of what the information was used for and if they were likely to get some feedback on the results.
- ° Consumer Protection - labelling. Labelling of product content was identified as being more of a problem for small business than for large. In the case of a company producing a large variety of goods but only a small quantity of each, the need to have the special content labels printed is expensive and the labelling time is consuming.
- ° Customs and Excise - slow process. Getting goods through customs has been described as a slow process. There are holdups while goods are inspected (e.g., in the case of imported food, there is an extensive holdup while the products are inspected for possible animal by-products). Customs forms are complex and extensive paperwork is required to get the material released. The Customs and Excise tax rules do not always make it clear how much will be charged on specific type of goods. There is also substantial variation in interpretation between inspectors. One respondent suggested that even picking up small items from Postal Customs is so complex that it was recommended he employ the expertise of a customs broker.

b) Provincial

- ° Worker's Compensation - excessive rates. Worker's compensation rates are considered high by some respondents because loose classification of some industries result in inclusion with a higher risk group. For example, a wholesaler who buys ready-made goods and repackages them is considered a manufacturer. A complaint was also made that when a company is temporarily shut down, Worker's Compensation has no way of keeping the file inactive until the company starts up again. This

results in the need to continue Worker's Compensation payments during the period of temporary closure.

- ° Sales Tax - time consuming. Preparing the sales tax forms is not considered as difficult but, it is time consuming. Some representatives contacted also feel that the remuneration for the time taken to comply is too low (e.g., the preparation of the monthly sales tax remittance may take an entire morning yet the remuneration is only \$16 for the first \$400 remitted).
- ° Health and Safety - over-inspection. In some cases, Health and Safety inspectors were described as apparently obliged to find something wrong. Yet, other representatives felt that inadequate policing of regulations for similar industry types results in unfair competition (e.g., trucks delivering meat or produce must be refrigerated, however, some individuals sell door-to-door with no refrigeration unit in the truck).

3.6 Retailers

a) Federal

- ° Metricalization - lack of clear regulations. This is a problem area cited by grocery retailers who converted to metric scales at a cost of \$2000 - \$5000, but are now obliged to deal in two systems, because PLU's (Price Look-Ups) and product quantity are still quoted in imperial measures. One and only one system is considered preferable. Being on two systems involves doing two sets of calculations, and using double labelling.
- ° Customs and Excise - forms take too much time. Retailers who deal in imported goods (e.g., pets, china and giftware, leather), suggest that there are detailed forms to complete and in some cases the quantity they wish to import does not justify the amount of time required to provide the information required.

° UIC - involves too much paperwork. UIC is considered a problem where the majority of the staff in the retail operations is part-time. Employment records must be kept in the event of UIC applications. However, it is felt that the record keeping is of no benefit to the employer and in some cases the part-timers are not eligible for UIC benefits.

° Consumer Protection - complex regulations. This problem area was mentioned by retail grocery stores with respect to inspections of prices and quantity, packaging (e.g., eggs) and labelling (e.g., meat). Given the myriad of regulations that the business must comply with, it is likely that on occasion a few rules will be broken. The respondents described inspectors as not taking into consideration the whole picture, but rather focusing on minor non-compliance errors.

Another problem in this area relates to requirements for product origin and product content labelling. This origin and content data is not always easily obtainable (e.g., farmers who are suppliers, often do not keep the necessary kinds of product information records).

b) Provincial

° Sales Tax - regulations are complex. Retailers range from grocery stores to pet shops and it is therefore misleading to generalize. Sales Tax, however, appears to be an area that is of significant concern to the majority of retailers. The problem centers on the complex nature of the regulations. Knowing what is taxable and what is not taxable appears to be the main source of the problem. Different items within the same product category are treated differently when sales tax is concerned. A common example given by grocers refers to fruit drinks which contain 25% or more fruit juice and are not taxable. There are other rules which discriminate on the basis of the quantity purchased (e.g., cupcakes purchased in quantities of 6 or more are not subject to tax, however, a purchase of one cupcake is). Remembering these precise differences creates a problem and in cases of doubt the respondents suggest that half of the retailers omit the tax, while the other half charge the tax. Although the retailer is kept informed by a sales representative for the

specific product, keeping track of all the items that a store carries and the sales tax differences is a complex problem.

In response to the complex nature of the sales tax per product, the changes in the tax, and the required training effort for cashiers, some retailers have invented their own simplified system. For instance, all drinks may be treated as taxable items without regard to fruit juice content. Other solutions involve the costly purchase and installation of computerized cash registers typically used by the large retail operations.

The respondents felt that neither the retailers nor the government administrators are clear about the sales tax regulations concerning some items. This uncertainty creates problems in remittances and slows an already time consuming process. The \$1000 rebate is seen as small compensation for keeping track of all the sales tax categories, and handling the paperwork that goes with the remittances.

° Food Production and Distribution - regulations put excessive controls on basic food items. Retail groceries view this as an important problem area and cite the following:

- ° The proportional display of cans: bottles is not practical for some types of groceries, e.g. fly-out business where customers transport groceries by plane.
- ° The proportional display of cans: bottles also presupposes a certain amount of storage space for bottles which are not as easy to store.
- ° The regulation concerning the sale of light colored margarine is inconsistently enforced.
- ° The regulation restricting the purchase of milk to a specified outlet limits competitive buying power.

c) Municipal

- ° Health and Safety - is administered poorly. The main problem suggested by the respondents concerns the inconsistent monitoring and application of the regulations. Building features which were initially approved under consultation with the authorities can apparently later be in violation of the requirements. In some cases, the problem arises from two different interpretations of the codes, but in other cases the codes change. The results however are increased cost due to the renovations or changes needed.

3.7 Business-Personal and Finance-Insurance-Real Estate

a) Federal

- ° Transportation Of Dangerous Goods - complex regulations. Under the new Transportation of Dangerous Goods Act, the driver must receive documentation with the load so that he knows what he is hauling. He must be knowledgeable about the handling of the material, make sure that it is made clear to everyone what is being hauled, and in the case of an accident, must contact everyone involved. The respondents suggested that in theory, this is considered a good safety measure. However, adhering to the law may be costly for small operations that do not normally transport dangerous goods. Deliveries are often made by part-time or student labour. To comply with the Transportation of Dangerous Goods Act, the drivers must be trained or qualified drivers must be hired. Part of the problem is the wide-range of goods which is classified as being dangerous to transport.
- ° Human Rights - the right to selectively hire. Some industries feel that they should be allowed to discriminate when selecting the needed employees, but applying to the human rights board to receive an exemption is a very time consuming process. In one instance where female employees were appropriately considered as more suitable for a position, it took over one month and several meetings with the Board to obtain the needed exemption.
- ° Statistics Canada - irritating. Filling out forms for Statistics Canada is seen as irritating. The requests are considered to be

frequent, and the forms are sometimes complex. In some cases, the respondent felt he needed to use his accountant for compliance.

- ° Corporate Tax - complex system. The corporate tax system is considered complex by many and the tax forms are usually prepared by an accountant. Those preparing their own tax returns, consider the forms and the booklet explaining the forms too complex and often have to call the tax office to get problems cleared up.

b) Provincial

- ° Consumer Protection - censor too rigid. The Censor Board is viewed as acting in a more stringent manner than in the past. The grading of movies, however, is inconsistent (e.g., "Ben Hur" is graded as "Adult Accompaniment" while movies containing a higher degree of violence are graded as "Family Entertainment"). The Adult Accompaniment grading also causes difficulty in administration. The age criteria and whether or not under-age youngsters are accompanied by an adult is difficult to police. In some instances, adherence to the rules results in a loss of clientele. "Parental Guidance" is considered a preferable category.
- ° Worker's Compensation - rates are too high. Unreasonable Worker's Compensation rates were cited in several cases. Respondents suggested attention was needed in area of classification where grouping with a higher risk industry was involved. It was also suggested that there should be tiering of rates according to performance.
- ° Health and Safety - requirements rigidly administered. Respondents felt that fire regulations for theatres are administered to the letter and that no allowance is made for buildings which by the nature of construction, are not a fire risk. For instance, the same rules are applied to a small theatre constructed of cement blocks with several direct outdoor exists as are applied to a large theatre in a shopping centre where the danger of fire is greater.

3.8 Human Services

This sector consists of a wide variety of business types which reduces the opportunity for consistent problem identification. The main problem areas identified are described below.

a) Federal

- ° Assistance to Business - lack of flexibility. Grants are given to employers to partially cover the cost of student labour. Some problems arise due to the conditions under which these grants are approved (e.g., the employer has little say in employee selection and if a student quits or is fired, the grant is not transferable to another student).
- ° UIC/CPP - complicated process. The wage-time schedule for some companies is different then the requirements on the UIC remittance. This results in extra work for the company because the wages have to be recalculated to fit within the UIC forms. The forms were also described as too complex and the information requests were considered to be too frequent.

b) Provincial

- ° Building Codes - discriminating regulations. The building codes for nursing homes are more stringent than those covering homes for the aged or hospitals providing similar services. Respondents suggested that building codes which were approved as little as 2 years ago are now no longer considered to be in compliance. The resulting required renovations are expensive. Administration of these building codes has also been cited as a problem since the rules can be interpreted differently by different health inspectors.
- ° Licencing - restricts scope of business. The restricted nature of a business licence was mentioned in several cases as a source of frustration. In the case of a dental lab, it was felt that they were restricted from extending their business to other areas. In the case of an optician, the decision concerning whether or not the industry should be deregulated presented the greatest concern.

4.0 PROBLEMS EXPERIENCED BY BUSINESS TYPES IN TOURISM

4.1 Introduction

Each business type as per the sample structure, has both unique and generic problems which are related mainly to regulations and paperburden. In this chapter, the problems experienced by each business type in the tourism industry have been described from the perspective of the respondents contacted. As with the problems described for the general sector, there are anecdotal descriptions of some problems from the tourism industry presented in Appendix C.

4.2 Outfitters

a) Federal

- Income Tax - forms are complex. The income tax forms were mentioned as a problem for some of the outfitters contacted. The forms were complex and the task required the hiring of an accountant to properly represent the company's position.
- Communications - licence applications complex. Obtaining radio licences were mentioned as being a time consuming task. As the needs or applications change, new different licences are required.

b) Provincial

- Statistical Surveys - information is too detailed. The outfitters contacted considered that the Ministry of Tourism and Recreation survey was too detailed and that it is required to be completed during the busiest time of the year.
- Assistance Programs - Ontario Development Corporation (ODC). Some outfitters contacted expressed concern over the complexity and details required for application forms used by NODC and felt that the decision-making was slow.

° Worker's Compensation - regulations too strict. Some of the safety regulations are too strict when applied to outfitters working in the bush. However, worker violation of these regulations was a concern because the respondents believed the employer was responsible.

° Fishing Licences - time consuming. The paperwork is substantial to obtain a fishing licence for each customer using the property.

c) Municipal

Not relevant for most outfitters.

4.3 Ski Resorts and Resorts

a) Federal

° Assistance to Business - slow to respond to business needs. Problems were identified in the approval and administration of business assistance programs. The approval process is considered slow. One example cited was that of an individual who had prepared an extensive training program for disabled persons. Timing was a crucial factor in that these people had to be trained prior to the busy season. The decision process was delayed until the peak season. As a result, training began one month before final approval and in so doing made the application not eligible for assistance. Some programs were considered to be unfairly or inequitably administered. This reflects cases where the applicant was not approved for funding or where the expected funding was higher than that approved (e.g., one resort operator complained that they did not receive the number of people requested and that he needed that number to properly operate his business. However, the delay in getting approval reduced his ability to hire the additional staff needed.

° UIC - forms are complex. Many of the resort operators contacted complained about the complexity of the UIC forms. Due to the complexity, errors are made in filling out the forms, which results in requests for corrections from the UIC office. The respondents also noted that the way information is reported on the UIC forms does not always match the way the business records are kept. This results in additional effort to convert the information.

b) Provincial

- ° Health and Safety - fire regulations are too rigid. The fire regulations passed in 1981, are strict and costly to adhere to. The main problems however, are related to the administration of new regulations. There is a feeling that the rules tend to be interpreted differently by different inspectors. The time period allowed for compliance is also considered to be unreasonably short. (The financial investment needed is not always readily available for a small business.)
- ° Land Use Regulations - are complex. Land use regulations are considered to be complex and the adherence to approval criteria is costly. For example, in the development or subdivision of a land parcel, approval requirements may include the construction of an access road. Such a criteria is so costly that it could inhibit the development of a small business.
- ° Liquor Laws - getting licences is time consuming. Obtaining a liquor licence for special events is considered to be even more difficult than for a permanent establishment. The paperwork required is extensive and a new licence must be obtained for each separate event.
- ° Statistical Surveys - are poorly timed. Statistical surveys are considered a nuisance by this sector. The major complaint, however, is not that the forms are too long or time consuming but that requests are made at peak season when the owner has no time to devote.

c) Municipal

- ° Health and Safety - complex planning and building regulations. It was considered by several operators in this sector that the planning regulations are complex and that the planners are not very helpful in addressing the problems encountered. Building codes are also considered to be overly complex and restrictive.

4.4 Campgrounds

a) Federal

- ° Human Rights - discrimination issues can be restrictive. Under human rights legislation, service can not be refused to anyone. However, campground owners will often ignore this legislation by refusing service to people who are likely to cause problems for other customers. The respondents recognize that this is illegal and that some owners have had to face discrimination charges, but they are willing to take this risk in order to protect their business. They feel they have an obligation to provide a specific quality of environment (part of the product) and therefore should not be unreasonably restricted by rigid application of the human rights legislation.
- ° Statistical Surveys - information requests are too frequent. Statistical surveys conducted by Statistics Canada are a minor problem. The common complaint was that they are too frequent and that the information requested is repetitive.
- ° Income Tax - forms are complex. Income tax forms are considered to be complex by this sector and an accountant is generally required for compliance. The retention period for tax records is also regarded as long.

b) Provincial

- ° Licencing - uniform licencing required. Most campground operators interviewed indicated that they would once more like to see the province in charge of licencing. This responsibility is presently under municipal jurisdiction but there is a lack of uniform licencing and it creates unfair differential levels of overhead to contend with.
- ° Rental Control - not suitable for all applications. Several operators also rent mobile homes as an income supplement. They feel that the rent control regulations are too stringent for rural areas where cost increases are greater than the allowable rent increases. The

available appeal/review process is also prohibitive because of its complexity and time required.

- ° Land Use - appropriate permits are hard to get. Obtaining a permit to put mobile homes into a campground area requires approval from the local municipality as well as from the Ministry of Housing. Extensive data, concerning topics such as water supply and sewage, must be supplied before approval. The approval process is considered to be long and costly.
- ° Health and Safety - requirements are strict and costly to comply with. Health and Safety regulations for small campgrounds are considered strict and difficult to comply with. In one case mentioned during the interview process, a new campground with 120 sites was required to have one mile of weeping tile, a sewage holding tank for each campsite, and special signage around the swimming pool. The campground operator had to hire the services of a lawyer to force the building department to provide a written account of the requirements before the grounds could be opened for business.

c) Municipal

- ° Property Tax - problems of collections from tenants. Campground operators who rent space to mobile homes must collect the property tax from their tenants. This is time consuming and the tenants often do not understand why the campground owner is trying to collect more money. This can create a climate of suspicion between the landlord and the tenant.

4.5 Ontario Hotel-Motel

a) Federal

- ° UIC - calculations are time consuming. There is a considerable amount of paperwork involved in:
 - ° calculating UIC; and
 - ° providing employee records for UIC requests.

This is particularly true in the hotel-motel industry where employees work part-time and may involve a varied number of hours per week. This requires new calculations for each pay period. Based on discussions with operators, even minor errors require revisions to the employer's remittance.

The amount of time required to provide detailed employee records for UIC claims is considered a 'no pay-off' situation for the small business operator. The UIC calculations are based on a 40 hour work week and therefore require more effort to account for the temporary seasonal and 7 day week of the hotel-motel industry.

- ° Statistical Surveys - information requests are too frequent. There may be 4-6 surveys per year which

- ° require similar or overlapping information;
- ° seek confidential information; or
- ° require information based on the current season.

Respondents suggest that some surveys take 3-4 hours to complete and often involve duplicate information, or ask for data on the current year which has not been prepared.

b) Provincial

- ° Health and Safety - regulations are complex. Problems of interpretation exist because of overlapping or contradictory areas of regulations. Changes or new interpretations of regulations also causes problems. These aspects of the regulations create added costs to the hotel-motel operator and may mean that building plans may have to be re-submitted, and building inspections carried out again.

The regulations are also inappropriate for the size of the structure. Some of the small hotel-motel operators indicated that the regulations (e.g., number of exit doors, fire extinguishers, number of exit signs) are specifically designed for larger facilities.

- ° Sales Tax - calculations are confusing and time consuming. According to the hotel-motel operators contacted, customers prefer a uniform tax for room, food and drink. Separate sales tax for room, food and drink adds to the required effort in record-keeping particularly in cases where the customer is tax-exempt.
- ° Liquor Laws - are difficult to meet. For those hotel-motels which serve liquor, the 60-40 ratio can be difficult to comply with. In one case, the interviewee suggested that sales of 3 meals per day were required to balance liquor sales and to retain the liquor licence. In addition, the monthly Liquor Report was a nuisance because it required detailed daily record-keeping to arrive at the monthly totals.

c) Municipal

- ° Health and Safety Codes - no systematic application. Some municipalities are strict about regulation enforcement (e.g., chlorine content of swimming pool to be checked every 2 hours). Others are not always strict, but inconsistently apply regulations to the various hotels and motels.

Other administrative areas of concern are:

- ° approval for building or renovations is not timely (e.g., codes enforced on transfer of property ownership); and
- ° unrealistic time frame for compliance.

There was also some concern over the complexity of the codes, the overlap between building and fire codes.

4.6 Attractions

a) Federal

- ° Health and Safety - tighter regulations. The requirements for life saving equipment and general marine safety are becoming stricter. It is anticipated that these requirements will necessitate a substantial investment on the part of boat tour operators.

b) Provincial

- ° Signs - are generally not allowed on highways. Sign control rules have been developed to prevent a cluttering of signs on provincial highways. Attractions are only allowed to place directional signs on the highway if they attract more than 200,000 visitors per year. For attractions in less populated areas, these quotas restrict the ability to make travellers aware of the attraction and reduces the potential for an impulse stop. It was suggested that the quota for number of visitors be reduced for remote locations.
- ° Wildlife Protection - confusing and restricting regulations. Laws which regulate the wildlife species allowed in private zoos are very complex and confusing. For example, protected wildlife species in Ontario can not be caged and put on display. However, displaying these same species is allowable if they can be obtained out of the province. This regulation restricts the zoo's ability to develop interesting exhibits and increases the record keeping needed to prove that the species exhibited has an acceptable origin.
- ° Liquor Laws - licencing. Liquor laws are very complex and time consuming. In selling liquor at organized events, a new licence must be obtained for each separate event. Respondents suggested that this restricts interest in developing events.
- ° Assistance to Business - complicated forms. Application forms for business assistance programs have been cited as complex. Some of the information asked for does not appear to be relevant and the rules pertaining to eligibility criteria are often difficult to understand.

4.7 Restaurants and Food Services

a) Federal

- ° UIC forms - take up too much time. There is a large amount of paperwork involved in providing records of employment for employees applying for UIC benefits. This is a particular problem because of the high turnover rate in the restaurant industry. Generally, the

employer is required to produce a record of employment within five days of the employee's departure. The respondents suggested that many employers do not, unless it is specifically asked for. There was also some concern expressed about the length of time the employer is required to keep records on a particular employee.

- ° Human Rights - requirements make the hiring process lengthy. Human Rights legislation is considered to be an area that may create more problems in the future for the restaurant industry because selective advertising for staff qualities or requirements (e.g., sex) is not allowed. The employer also feels restricted because he cannot request personal details (e.g., age, citizenship) on an individual's background before hiring. These two restrictions requires that more time be spent in reviewing applications, or in screening applicants.

b) Provincial

- ° The Liquor Laws - are a business restricting factor. The 60:40 ratio of alcohol sales to food sales is often difficult to meet, and appears more relevant for a restaurant with an established dinner trade. The ratio is considered by the respondents to be unsuitable for the total range of restaurant types that exist today.

The fact that the licensee cannot engage in liquor related specials, promotions or gimmicks in order to promote his business is regarded as restrictive to free enterprise.

The obligatory purchasing outlet may add to transport costs, and to the time taken to fill an order. In one particular case, the obligatory outlet was further away than a non-obligatory outlet.

There is a substantial amount of paperwork associated with what were considered by the respondents to be frequent price changes. These changes mean that the monthly price booklet provided for the licensees is not up to date and adjustments must be made at the time that the order is placed. This slows up the ordering process and results in extra calculations. One respondent purchased a computer which has eased the required workload associated with the liquor price changes.

The monthly Liquor Report is also considered time consuming. This is particularly true where Sunday liquor sales are involved because they must be calculated separately. Some respondents suggested that liquor related record keeping could take an hour or more per day.

- ° Sales Tax - is a nuisance. Keeping track of taxable and non-taxable items is a nuisance and complicates the required staff training. This relates to the regulation - "taxable over \$1, not taxable under \$1" - which is applicable depending on the items in the bill total (e.g., chocolate bar and 1 coffee is under \$1, but the chocolate bar is taxable anyway).

Respondents have suggested that the regulation be changed to refer to the total dollar amount on the bill regardless of the items, or strictly to items regardless of the total amount on the bill.

c) Municipal

- ° Health and Safety - regulations are complex and rigidly enforced. Health and safety regulations comprise a number of overlapping rules which add to the complex nature of the codes concerning building, fire and public health. In addition, regulations concerning the sale of alcohol overlap further with these codes.

The codes are described in highly legal language and use technical terms which make them difficult to understand. This complicates and slows down the process of getting a renovation or building approval. The process tends to be drawn out because approval is required from more than one Department all of which have potentially conflicting requirements and also because there are different possible interpretations on the part of individual inspectors.

Another concern of the restaurant industry is that the regulations are too complex or not relevant when applied to small operators (i.e., simple sandwich shops, snack type restaurants) and yet are being rather strictly enforced (e.g., in a small restaurant the percentage

of seats reserved for non-smokers that must be provided may be too restrictive when there is already a small number of seats).

There were also some complaints regarding the over-reaction of the inspectors to the size and placement of a menu sign outside the restaurant and to the cleanliness of the kitchen just after a rush hour lunch. It was felt that often the regulations were being unnecessarily enforced to the letter.

5.0 ADDITIONAL ANTICIPATED PROBLEMS ARISING FROM PENDING LEGISLATION

In addition to the problems cited above, respondents also described several areas in which they were aware of pending legislation which has potentially negative implications for small business. Those issues most frequently described by respondents are outlined below.

a) Federal:

- ° Deregulation of the Transportation Industry. This pending legislation is strongly objected to by all transportation companies representatives that were interviewed. Deregulation will increase competition and the market is expected to become price sensitive. Small businesses in the transportation industry may be unable to compete because only the large companies will be able to afford to cut their margin to remain competitive in the long run. The respondents anticipate that the transportation industry may then become dominated by a small number of very large transportation companies.

b) Provincial:

- ° Equal Pay for Work of Equal Value. This pending legislation was almost universally cited as a source of potential serious problems for small business both in the general and the tourism sectors. Since most small businesses operate on small profit margins, any large scale general salary increase would serve to raise operational costs to such an extent that it can seriously effect these businesses' ability to compete. At the same time, most employers wish to pay their employees equitably. Most respondents were in favour of the principal behind the equal pay for equal work laws, but would simply be unable to afford a sudden increase in operational costs. For this reason it has been suggested by some respondents that implementation of the regulation might take place by attrition or some other gradual means.
- ° First Contract Binding Arbitration (Bill 65). The concern expressed by respondents who cited this regulation as a source of potential problems is that the legislation will change the relationship of small business with labour unions. Small business representatives fear that

if this bill is passed large national or international unions will be able to move in on small businesses who will be unable to comply with demands made under First Contract Binding Arbitration requirements. One respondent cited a case in B.C. where under similar legislation, a small business operator was forced to close his business due to an inability to meet union demands and was subsequently sued for "bad faith bargaining".

- ° Sale of Liquor in Grocery Stores. Tavern operators are concerned that if grocery stores are permitted to sell domestic beer and wine that competition will be unfairly increased to the point that they will no longer be able to remain operational. Although it is understood that the intent behind this legislation is to increase the sale of domestic beer and wine, they do not believe that this means will achieve the intended purpose. One alternative suggested is to allow over-the-counter sale of these products in the taverns.
- ° Proposed Boat Tax. Outfitters expressed concern about a proposed regulation which will require them to pay tax on each of the boats they own, as well as a water lot tax. For small outfitters this tax will greatly reduce profit margins.

6.0 CONCLUSIONS AND RECOMMENDATIONS

Based on the research conducted in this study, there appear to be problem areas at all three levels of government which restrict small business. However, it was evident during discussions with small business, that confusion exists concerning the areas of jurisdiction for some problems. While most of these were corrected by the Study Team by probing for a better understanding of the nature of the problem, the area of Human Rights regulatory problems has both federal and provincial connotations. The Study Team has presented these throughout the text for consistency as federal problems based on the results of discussions with the small business representatives. However, upon subsequent review of the level of government responsibilities and upon the primary nature of the identified problems, the Human Rights regulatory problems are more appropriately classified as provincial problems.

Based on the study findings, the key areas which should be examined to reduce the paperwork and regulatory burden impacts on the small business community are:

Federal - Income and federal sales tax regulation
 - UIC forms
 - Customs and Excise regulations
 - Transportation of Dangerous Goods regulations

Provincial - Sales tax regulations and forms
 - Public Health and Safety regulations
 - Worker's Compensation administration
 - Liquor Law regulations
 - Human Rights regulations

Municipal - Health and Safety regulations (e.g., building codes)
 - Environmental Management (e.g., zoning)

In area of statistical surveys (both federally and provincially), the problems are viewed as minor irritants, but they can be improved by providing the opportunity for informational feedback.

The Study Team was unable to consistently quantify the costs of compliance for these problem areas and the number of interviews conducted are viewed as inadequate to properly address the details of problems identified. It is recommended that a more comprehensive, focused study is needed to develop the details of the major problem areas, the impact of stream-lining regulations, the impact of developing exception criteria for small business, to review the minimum acceptable governmental requirements for the regulations and informational requests, and to develop workable solutions to the identified problems. This can only be accomplished through the participation of small business operators, trade associations, and the government departments involved.

There is currently an Ontario small business advocacy function performed by the Ministry of Industry, Trade and Technology - Small Business Branch. However, the Study Team also suggests that there is a need for an advocate (or advocacy organization) to review the impacts that pending legislation may be expected to have on Ontario's small business sector. (In the U.S., this role is filled federally by the U.S. Small Business Administration, Office of Advocacy and is facilitated legislatively by the U.S. Regulatory Flexibility Act. The effect of this law is that the originating agency for any proposed legislation must consider alternatives which will reduce negative economic impacts to small business.)

APPENDIX A

PRIMARY DATA PRESENTATION

TABLE A-1: GENERAL SECTOR - LEVEL OF GOVERNMENT CREATING MOST OF THE SERIOUS PROBLEMS

	Company Responses				No Problem
	Total Companies	Federal	Provincial	Municipal	
Agriculture, Forestry, Fishing	1	-	-	1	-
Mining	1	1	-	-	-
Construction	16	3	9	3	1
Food & Tobacco	2	1	-	-	1
Textiles & Leather	3	2	1	-	-
Natural Products	7	6	1	-	-
Chemicals, Metals, Electrical	3	2	1	-	-
Transportation & Public Utilities	4	1	2	-	1
Wholesale Trade	10	6	4	-	-
Retail Trade	25	11	8	2	4
Finance Insurance & Real Estate	7	1	1	1	4
Business - Personal	13	3	4	1	5
Human Services	9	3	4	1	1
Total General	101	40	35	9	17
%	100	39	35	9	17

TABLE A-2: TOURISM - LEVEL OF GOVERNMENT CREATING MOST OF THE SERIOUS PROBLEMS

	Company Responses				No Problem
	Total Companies	Federal	Provincial	Municipal	
Northern Ontario Tourist Outfitters	18	1	13	1	3
Ontario Ski Resorts	3	1	2	-	-
Resorts Ontario	8	3	5	-	-
Ontario Private Campgrounds	9	2	6	-	1
Ontario Marina Operators	4	3	-	1	-
Ontario Hotel & Motel	23	2	15	3	3
Accommodation Motel Ontario	23	2	8	8	5
Ontario Motor Coach/Transportation	4	1	2	-	1
Attractions Ontario	8	1	4	2	1
Restaurants and Food Services	37	6	24	4	3
Alliance of Cdn. Travel Agents	2	2	-	-	-
	—	—	—	—	—
Total Tourism	139	24	79	19	17
%	100	17	57	14	12

FIGURE A-1: Areas of Federal Government Control

-
- A COMMUNICATIONS: e.g. broadcasting, telephone, telegraph, telecommunications, cable T.V., etc.
- B CONSUMER PROTECTION/INFORMATION: e.g. disclosure, labelling, advertising, packaging, weights/measures, sales techniques, etc.
- C CULTURAL/RECREATIONAL: e.g. residency, language, Canadian content, lotteries, gambling, sports, bilingualism, etc.
- D ENERGY: e.g. nuclear, hydro, natural gas, etc.
- E ENVIRONMENTAL MANAGEMENT: e.g. pollution control, resource development, wildlife protection, land use, Federal properties/Native resources, etc.
- F FINANCIAL MARKETS AND INSTITUTIONS: e.g. banks, trust/finance companies, pension plans, insurance, interest, loans and mortgages.
- G FOOD PRODUCTION AND DISTRIBUTION: e.g. agricultural products, marketing, food products grading, fisheries, etc.
- H FRAMEWORK (organizational regulations): e.g. competition policy, bankruptcy laws, corporation laws, industrial design, patents, trademarks, election laws, etc.
- I HEALTH AND SAFETY: e.g. occupational health and safety, product use regulations, product content regulations, building codes, animal/plant health, etc.
- J HUMAN RIGHTS: e.g. antidiscrimination, protection of privacy, etc.
- K LABOUR: e.g. collective bargaining, minimum wage laws, employment standards, etc.
- L LIQUOR LAWS: e.g. alcohol content.
- M PROFESSIONAL/OCCUPATIONAL LICENCING: e.g. marine/pilots licencing.
- N TRANSPORTATION: e.g. airlines, marine, railways, pipelines, trucking, postal express, transport dangerous goods, etc.
- O TAX: e.g. income tax, corporate tax.
- P METRICATION.
- Q CUSTOMS/EXCISE.
- R UIC/PPP.
- S STATISTICAL SURVEYS.
- T ASSISTANCE TO BUSINESS (grants, etc.).
- U OTHER (specify). _____
- X NO PROBLEMS ENCOUNTERED
-

TABLE A-3: GENERAL SECTOR - PROBLEMS RELATED TO FEDERAL GOVERNMENT DEPARTMENTS

Frequency of Response
Areas of Federal Government Control

Industry Sector	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	X
Agriculture, Forestry, Fishing																						1
Mining															1		1		1			
Construction											1			1	2	1		8	6			5
Food & Tobacco							1															1
Textiles & Leather		1												1	2	1	1		1			
Natural Products		1			1									2	3	1	1	2				1
Chemicals, Metals, Electrical															1		1		2	1		
Transportation & Public Utilities														1	1		1	1				2
Wholesale Trade		2					1			1	1				1	3	3		5	1		
Retail Trade		2							1		5		2		3	8	3	10	1			6
Finance Insurance & Real Estate								2		1					1			1				5
Business - Personal		1								2					1	1			1	2	1	8
Human Services											1				3			4	4	1		2
Total Frequency	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	X
	0	7	0	0	1	0	2	2	1	4	8	0	2	6	19	14	11	27	22	4	0	31

TABLE A-4: TOURISM SECTOR - PROBLEMS RELATED TO FEDERAL GOVERNMENT DEPARTMENTS

Frequency of Response
Areas of Federal Government Control

Industry Sector	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	X
Northern Ontario Tourist Outfitters					1					1	1		2	3	7	1		4	3	1		6
Ontario Ski Resorts											1							2	1	1		1
Resorts Ontario	1		1							1	1					1		3	1	1		3
Ontario Private Campgrounds										2	1				2	2		1	2			2
Ontario Marina Operators					1						1		1		1	1	1	1	1	1		
Ontario Hotel & Motel	3									2	1				2	1		8	7			8
Accommodation Motel Ontario										1					1			1	5	1		15
Ontario Motor Coach/ Transportation											1		1			1			1	1		1
Attractions Ontario										1	1						1	1		1		5
Restaurants and Food Services	4									6	2				7	7		11	2	2		17
Alliance of Cdn. Travel Agents		1								1					1			1				
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	X
Total Frequency	8	1	1	0	2	0	0	0	1	14	10	0	4	3	21	14	2	33	23	9	0	58

FIGURE A-2: Areas of Provincial Government Control

-
- A COMMUNICATIONS: e.g. telephone, telecommunications.
- B CONSUMER PROTECTION/INFORMATION: e.g. disclosure, labelling, advertising, packaging.
- C CULTURAL/RECREATIONAL: e.g. residency, language, Canadian content, sports, bilingualism, etc.
- D ENERGY: e.g. hydro, natural gas, etc.
- E ENVIRONMENTAL MANAGEMENT: e.g. pollution control, resource development, wildlife protection, land use, etc.
- F FINANCIAL MARKETS AND INSTITUTIONS: e.g. trust/finance companies, pension plans, insurance, interest, loans and securities/commodities.
- G FOOD PRODUCTION AND DISTRIBUTION: e.g. agricultural products, marketing, food products grading, etc.
- H FRAMEWORK (organizational regulations): e.g. corporation laws, election laws, etc.
- I HEALTH AND SAFETY: e.g. occupational health and safety, product use regulations, product content regulations, building codes, animal/plant health, health services, etc.
- J LABOUR: e.g. collective bargaining, minimum wage laws, employment standards, Worker's Compensation, etc.
- K LIQUOR LAWS: e.g. distribution and sale.
- L PROFESSIONAL/OCCUPATIONAL LICENCING: e.g. certification/licencing, registration, etc.
- M TRANSPORTATION: e.g. railways, pipelines, inter-city buses, inter-province, trucking, transport dangerous goods.
- N TAX: e.g. income tax, corporate tax.
- O SALES TAX.
- P RENTAL CONTROL.
- Q STATISTICAL SURVEYS.
- R ASSISTANCE TO BUSINESS (grants, etc.).
- S OTHER (specify). _____
- X NO PROBLEM ENCOUNTERED

TABLE A-5: GENERAL SECTOR - PROBLEMS RELATED TO PROVINCIAL GOVERNMENT AREAS OF CONTROL

		Frequency of Response Areas of Provincial Government Control																				
Industry Sector	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	X
Agriculture, Forestry, Fishing																						1
Mining									1					1	1		1					
Construction									2	7		4			2		2		1			4
Food & Tobacco																						2
Textiles & Leather										1					1							1
Natural Products					1				1	4			2		1							2
Chemicals, Metals, Electrical									1	2								1				1
Transportation & Public Utilities												1	2									1
Wholesale Trade		1							2	3		1			3							3
Retail Trade		1					6		3	5	3	2		2	12							6
Finance Insurance & Real Estate		1				1						1			1							5
Business - Personal		2							2	3				1								7
Human Services									3	1		2		2			1					3
Total Frequency	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	X
	0	5	0	0	1	1	6	0	15	26	3	11	4	6	21	0	4	1	1	0	0	36

TABLE A-6: TOURISM SECTOR - PROBLEMS RELATED TO PROVINCIAL GOVERNMENT AREAS OF CONTROL

Frequency of Response
Areas of Provincial Government Control

Industry Sector	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	X
Northern Ontario Tourist Outfitters					4				3	3	2	5		1	9		9	5				3
Ontario Ski Resorts					1				1	2	2				2							
Resorts Ontario					1				4	5	3		1		2		4	4				
Ontario Private Campgrounds					1				1	1	3	3	1	2	1	3	1	5				2
Ontario Marina Operators	1	1		1										1	2	1						
Ontario Hotel & Motel					1	1			11	6	5	1		1	5		4	2				5
Accommodation Motel Ontario									7	3		1	1		3							13
Ontario Motor Coach/Transportation									1		1	1	1		1				1			2
Attractions Ontario			2		1				2	3	2		2		3	1	1	3				2
Restaurants and Food Services								1	1	15	26				19			1				6
Alliance of Cdn. Travel Agents																						2
Total Frequency	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	X
	1	1	2	1	9	1	0	1	31	38	44	11	6	5	47	5	19	20	1	0	0	35

FIGURE A-3: Areas of Municipal Government Control

- A CONSUMER PROTECTION/INFORMATION: e.g., Conditions of Sale
- B CULTURAL/RECREATIONAL: e.g., Sports
- C ENVIRONMENTAL MANAGEMENT: e.g., Land Use, planning/zoning, development approval, sub-divisions
- D FRAMEWORK: e.g., Election Laws
- E HEALTH AND SAFETY: e.g., Products - Use, explosives, firearms, chemicals, building codes, health services, nursing homes, private hospitals, emergency services, animal health, public health/restaurants, plant health
- F HUMAN RIGHTS: e.g., Anti-discrimination, legislation, in respect to hiring, sale of goods or services, Protection of privacy, personal information reporting
- G TRANSPORTATION: e.g., Taxis, pipelines, urban transit
- H BUSINESS LICENCES
- I TAXES
- J HOURS OF SERVICE
- K PARKING
- L ASSISTANCE TO BUSINESS
- M STATISTICAL SURVEYS
- N OTHER (specify) _____
- X NO PROBLEMS ENCOUNTERED

TABLE A-7: GENERAL SECTOR -- PROBLEMS RELATED TO MUNICIPAL GOVERNMENT AREAS OF CONTROL

[illegible]

TABLE A-8: TOURISM SECTOR - PROBLEMS RELATED TO MUNICIPAL GOVERNMENT AREAS OF CONTROL

Industry Sector	Frequency of Response Areas of Municipal Government Control																			
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T
Northern Ontario Tourist Outfitters			1																	
Ontario Ski Resorts																				
Resorts Ontario			2		1															
Ontario Private Campgrounds			2						2											
Ontario Marina Operators											1									
Ontario Hotel & Motel			2		3															
Accommodation Motel Ontario					7				3					1						
Ontario Motor Coach/ Transportation			1		1			1	1											
Attractions Ontario		1	1		2			1												
Restaurants and Food Services			2		14			2	2	3	2									
Alliance of Cdn. Travel Agents																				
Total Frequency	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T
	0	1	11	0	28	0	0	4	8	3	3	0	0	1	0	0	0	0	0	0

TABLE A-9: REGULATORY PROBLEMS CONCERNING THE FEDERAL GOVERNMENT

Areas of Federal Government Control

Metrica- tion	Tax	Labour	Consumer Protection	Transpor- tation	Human Rights	Communica- tion	<u>Characteristics of Regulatory Problems</u>
G,T	G,T	G	G	G		T	requirements result in high cost of compliance
G,T	G		G	G	T		requirements result in excessive time required for compliance
	G,T		G	G		T	requirements too complex
				G			requirements not intelligible
							requirements are too simplistic
			G		T		requirements can not be met
G						T	requirements not achieved intended purpose
							requirements were established to solve a problem, but the problem no longer exists
	G,T	G	G			T	requirements hurt small business more than large business
	G	T			T	T	requirements inhibit entrepreneurship or stifle risk-taking
							requirements inhibit development or adoption of new technology
							requirements may be unconstitutional
							requirements may be contrary to Charter of Rights and Freedoms
		T					requirements do not fit the business type
							requirements change frequently

G = general sector problem description
T = tourism sector problem description

TABLE A-10: PAPER BURDEN PROBLEMS CONCERNING THE FEDERAL GOVERNMENT

Areas of Federal Government Control

Customs & Excise	Tax	Stats Surveys	UIC/CPP	Labour
	T		T	T
				T
	T			
	T	G,T	G,T	G
		G,T	G,T	G,T
G	G,T		T	
		T	G	
G		G,T	G,T	
G	G,T	G,T	G,T	
G		T	G,T	

Characteristics of Paper Work Problems

- unnecessary variation in records retention periods
- retention periods too long
- retention periods too short
- retention periods not consistent with other legal requirements
- unlimited retention periods/government approval to destroy required
- duplication of information requests
- information requests too frequent
- information requests too costly to meet
- information requests seek sensitive information
- no apparent pay-off to small business for supplying information
- form too complex
- form not relevant
- information requests are too detailed/ records needed to be kept are too extensive/ forms used are too long

G = general sector problem description
T = tourism sector problem description

TABLE A-11: ADMINISTRATION PROBLEMS CONCERNING THE FEDERAL GOVERNMENT

Areas of Federal Government Control		<u>Characteristics of Administration or Enforcement Problems</u>
Customs & Excise	Assistance to Business	
	T	lack of openness/flexibility
	T	lack of accountability
G	T	decision-making too slow
		authorities not responsible
		decision-making too fast
		too open (confidential business information should not be so accessible)
	T	not timely (occurs too early or too late)
G	T	lack of understanding of small business needs, problems, circumstances
	T	erratic decision-making; decisions seem to be arbitrary (no apparent rules)
	T	unfair treatment
G	T	inconsistent treatment (including regional disparity)
		over-reaction (use of sledgehammer to kill a fly)
		administrators interpret the regulations to the letter, but do not provide an indication of how to correct the problem.

G = general sector problem description
T = tourism sector problem description

TABLE A-12: REGULATORY PROBLEMS CONCERNING THE PROVINCIAL GOVERNMENT

Areas of Provincial Government Control

Professional Licencing	Health & Safety	Sales Tax	Labour	Food Produc- tion & Distri- bution	Liquor Laws	Environ- ment Manage- ment	Transport	<u>Characteristics of Regulatory Problems</u>
G	G,T	G,T	G		T	T	T	requirements result in high cost of compliance
	T	G,T			T	T		requirements result in excessive time required for compliance
G	G,T	G,T	G	G	T	T	T	requirements too complex
	T				T			requirements not intelligible
	T							requirements too simplistic
	T				T			requirements can not be met
	T							requirements not achieved intended purpose
			T					requirements were established to solve a problem, but the problem no longer exists
G		T	G,T	G	T		T	requirements hurt small business more than large business
G	G		G	G	T	T	T	requirements inhibit entrepreneurship or stifle risk-taking
								requirements inhibit development or adoption of new technology
								requirements may be unconstitutional
								requirements may be contrary to Charter of Rights and Freedoms
	T		G		T		T	requirements do not fit the business type
G	T	T		G				requirements change frequently

G = general sector problem description

T = tourism sector problem description

TABLE A-13: PAPER BURDEN PROBLEMS CONCERNING THE PROVINCIAL GOVERNMENT

Area of Provincial Government Control

Sales Tax	Labour	Tax	Transportation	Stats Surveys	Assist to Business	Liquor Laws
					T	
						T
T						
	T		G	T		
G,T	G,T			T		T
G				T		T
G,T			G			T
	G,T	G	G		T	T
					T	
G,T	G,T	G			T	T

Characteristics of Paper Work Problems

unnecessary variation in records retention periods

retention periods too long

retention periods too short

retention periods not consistent with other legal requirements

unlimited retention periods/government approval to destroy required

duplication of information requests

information requests too frequent

information requests too costly to meet

information requests seek sensitive information

no apparent pay-off to small business for supplying information

form too complex

form not relevant

information requests are too detailed/ records needed to be kept are too extensive/ forms used are too long

G = general sector problem description

T = tourism sector problem description

TABLE A-14: ADMINISTRATION PROBLEMS CONCERNING THE PROVINCIAL GOVERNMENT

Areas of Provincial Government Control					<u>Characteristics of Administration or Enforcement Problems</u>
Health & Safety	Labour	Assist. to Business	Liquor Laws	Environmental Management	
T	G		T	T	lack of openness/flexibility
T	G		T		lack of accountability
G,T	G	T	T	T	decision-making too slow
G,T	G		T	T	authorities not responsible
T					decision-making too fast
					too open (confidential business information should not be so accessible)
T		T		T	not timely (occurs too early or too late)
T	G	T		T	lack of understanding of small business needs, problems, circumstances
G,T	G	T			erratic decision-making; decisions seem to be arbitrary (no apparent rules)
G,T	G		T		unfair treatment
G,T		T	T	T	inconsistent treatment (including regional disparity)
G,T	G				over-reaction (use of sledgehammer to kill a fly)
G	G				administrators interpret the regulations to the letter, but do not provide an indication of how to correct the problem

G = general sector problem description
T = tourism sector problem description

TABLE A-15: REGULATORY PROBLEMS CONCERNING THE MUNICIPAL GOVERNMENT

Areas of Municipal Government Control

Health & Safety	Environmental Management	Taxes
T	T	
T	T	
G,T	T	
T		
T		
T		
T	T	
G,T		

Characteristics of Regulatory Problems

- requirements result in high cost of compliance
- requirements result in excessive time required for compliance
- requirements too complex
- requirements not intelligible
- requirements too simplistic
- requirements can not be met
- requirements not achieved intended purpose
- requirements were established to solve a problem, but the problem no longer exists
- requirements hurt small business more than large business
- requirements inhibit entrepreneurship or stifle risk-taking
- requirements inhibit development or adoption of new technology
- requirements may be unconstitutional
- requirements may be contrary to Charter of Rights and Freedoms
- requirements do not fit the business type
- requirements change frequently

G = general sector problem description
T = tourism sector problem description

TABLE A1-16: ADMINISTRATION PROBLEMS CONCERNING THE MUNICIPAL GOVERNMENT

Areas of Provincial Government Control		<u>Characteristics of Administration or Enforcement Problems</u>
Health & Safety	Environmental Management	
G,T		lack of openness/flexibility
T	G,T	lack of accountability
G,T	G,T	decision-making too slow
G,T	G,T	authorities not responsible
T		decision-making too fast
		too open (confidential business information should not be so accessible)
T	G,T	not timely (occurs too early or too late)
G,T	T	lack of understanding of small business needs, problems, circumstances
G,T	G,T	erratic decision-making; decisions seem to be arbitrary (no apparent rules)
T	T	unfair treatment
G,T	T	inconsistent treatment (including regional disparity)
G,T		over-reaction (use of sledgehammer to kill a fly)
		administrators interpret the regulations to the letter, but do not provide an indication of how to correct the problem

G = general sector problem description
T = tourism sector problem description

TABLE A-17: REGIONAL ANALYSIS

	Regions					
	North	Central	Southwest	Metro	East	Total
Tourism Co.'s %	39 28.1	22 15.8	24 17.3	33 23.7	21 15.1	139 100.0
<u>Federal</u>						
Co. Experiencing Problems	23	12	13	22	13	83
Expected Level	23.3	13.1	14.1	19.7	12.5	83
Difference	(.3)	(1.1)	(1.4)	2.3	.5	—
<u>Provincial</u>						
Co. Experiencing Problems	31	14	17	24	18	104
Expected Level	29.2	16.4	18.0	24.6	15.7	104
Difference	1.8	(2.4)	(1)	(.6)	2.3	—
<u>Municipal</u>						
Co. Experiencing Problems	6	6	7	21	5	45
Expected Level	12.6	7.1	7.8	10.7	6.8	45
Difference	(6.6)	(1.1)	(.8)	10.3	(1.8)	—
General Sector Co.'s %	21 20.8	25 24.8	16 15.8	22 21.8	17 16.8	101 100.0
<u>Federal</u>						
Co. Experiencing Problems	13	14	15	17	11	70
Expected Level	14.6	17.4	11.0	15.3	11.7	70
Difference	(1.6)	(3.4)	4.0	1.7	(.7)	—
<u>Provincial</u>						
Co. Experiencing Problems	10	16	12	15	11	64
Expected Level	13.3	15.9	10.1	13.9	10.8	64
Difference	(3.3)	.1	1.9	1.1	.2	—
<u>Municipal</u>						
Co. Experiencing Problems	5	6	4	6	2	23
Expected Level	4.8	5.7	3.6	5.0	3.9	23
Difference	.2	.3	.4	1.0	(1.9)	—

EXHIBIT A-18: SIZE ANALYSIS

	Company Size (no. of full-time equivalents)			
	1-19	20-49	50-99	Total
Tourism Co.'s %	106 76.3	25 18.0	8 5.7	139 100.0
<u>Federal</u>				
Co. Experiencing Problems	58	16	7	81
Expected Level	61.8	14.6	4.6	81.0
Difference	(3.8)	1.4	2.4	--
<u>Provincial</u>				
Co. Experiencing Problems	77	19	7	103
Expected Level	78.6	18.5	5.9	103.0
Difference	(1.6)	.5	1.1	--
<u>Municipal</u>				
Co. Experiencing Problems	37	10	2	49
Expected Level	37.4	8.8	2.8	49.0
Difference	(.4)	1.2	(.8)	--
General Sector Co.'s %	66 65.3	24 23.8	11 10.9	101 100.0
<u>Federal</u>				
Co. Experiencing Problems	42	20	8	70
Expected Level	45.7	16.7	7.6	70.0
Difference	(3.7)	3.3	.4	--
<u>Provincial</u>				
Co. Experiencing Problems	39	17	8	64
Expected Level	41.8	15.2	7.0	64.0
Difference	(2.8)	1.8	1.0	--
<u>Municipal</u>				
Co. Experiencing Problems	18	3	1	22
Expected Level	14.4	5.2	2.4	22.0
Difference	3.6	(2.2)	(1.4)	--

APPENDIX B

SAMPLE COMPOSITION

B.1 Sample Size

The limited time available for data research restricted the number of companies which could be contacted. The original targets for the sample size were set at 110 (40% of the sample) for the general industry sectors and 160 (60% of the sample) for the tourism industry. To get a representative sample of Ontario small businesses, the targeted sample was stratified by:

- ° geographic region (see Figure 1 in the body of the report);
- ° number of employees in the company (measured in full-time equivalents); and
- ° industrial grouping (standard industrial classification codes were used in the general sectors and trade associations were used in the tourism industry).

The general data available on small business in Ontario is at best incomplete. The stratification targets were developed following input from:

- ° Canadian Federation of Independent Business (CFIB);
- ° Federal Department of Regional Industrial Expansion (DRIE);
- ° Ministry of Industry, Trade and Technology, Small Business Branch; and
- ° Ministry of Tourism and Recreation (MTR).

The potential participating companies were drawn:

- ° following discussions and assistance from 25 industry trade associations;
- ° from generally available trade publications; and
- ° from regional telephone directories.

The Study Team made attempts to contact in excess of 400 companies and were able to collect usable information from 240 company representatives (42% from the general sectors and 58% from the tourism sector). Due to the large number of unsuccessful contacts made and the resulting need for substitutions, the actual sample mix does not perfectly match the original geographic and size stratification targets.

B.2 Geographic Distribution

Geographically, the sample is not skewed and it is judged to reasonably represent all areas of the province. However in the tourism subsample, the Central region is slightly over represented and the Southwest région is slightly under represented when compared to the targets. In the general subsample the Metro region is under represented and the Central region is over represented. The targets were not, however, based on actual company distribution data and the magnitude of the regional deviations are not expected to significantly affect the results. Table B-1 displays the regional distribution.

TABLE B-1: GEOGRAPHIC DISTRIBUTION OF SAMPLE

	Sample Targets			Actual Sample		
	General	Tourism	Total	General	Tourism	Total
North	18%	28%	24%	21%	28%	25%
Central	18%	12%	15%	24%	16%	20%
Southwest	18%	20%	19%	16%	17%	16%
Metro	28%	25%	26%	22%	24%	23%
Eastern	18%	15%	16%	17%	15%	16%
	100%	100%	100%	100%	100%	100%

B.3 Size of Companies Contacted

For the purpose of this study, the small business sector was defined to include all businesses employing less than 100 employees when measured in terms of full-time equivalents. (For the purpose of this analysis, one full-time equivalent is the number of hours which a full-time employee would

normally work in one year, i.e. 2000 hours.) The sample was separated by size criteria and the targets were largely based on the data available from the CFIB membership. Table B-2 compares the size distribution of the actual sample with that of the target:

TABLE B-2: SIZE DISTRIBUTION OF SAMPLE

Number of full time Equivalents	Target	Total	Actual Sample	
			General	Tourism
1 - 5	-	38%	31%	42%
6 - 10	-	15%	18%	12%
11 - 19	-	19%	16%	22%
1 - 19	82%	72%	65%	76%
20 - 29	-	12%	15%	10%
30 - 49	-	8%	9%	8%
20 - 49	14%	20%	24%	18%
50 - 99	4%	8%	11%	6%
	100%	100%	100%	100%

While the sample under represents the companies employing less than 20 full time equivalents (and this is particularly true of the general subsample) the distribution deviation from the target is not serious and is not expected to significantly affect the identification of problems.

B.4 Industry Sector Representation

The sample distribution of interviews among the various industrial sectors matches the target very closely. This helps to ensure a reasonable representation of the Ontario small business economy. The actual sample results are compared with the targets in Table B-3. Tables B-4, B-5, B-6, and B-7 show the geographic and size distribution of the sample for the general sector and for the tourism sector.

TABLE B-3: INDUSTRIAL DISTRIBUTION OF SAMPLE

Industrial Sector	Target %	Actual Sample %
° General Subsample		
Agriculture, Forestry, Fishing	3	1
Mining	1	1
Construction	15	16
Manufacturing - Food & Tobacco	2	2
Textiles & Leathers	2	3
Natural Products	4	7
Chemicals, Metals, Electrical	4	3
Transportation & Utilities	3	4
Wholesale Trade	9	10
Retail Trade	26	24
Finance, Insurance, Real Estate	6	7
Business-Personal	16	13
Human Services	9	9
	<u>100</u>	<u>100</u>
° Tourism Subsample*		
Northern Ontario Tourist Outfitters	12	13
Ontario Ski Resorts	3	2
Resorts Ontario	6	6
Ontario Private Campgrounds	6	6
Ontario Marina Operators	3	3
Ontario Hotel & Motel	18	17
Accommodation Motel Ontario	16	17
Ontario Motor Coach/Transportation	3	3
Attractions	6	6
Ontario Restaurants and Food Services	24	26
Alliance of Canadian Travel Agents	3	1
	<u>100</u>	<u>100</u>

* Note: The categories listed here are generally names of trade associations which represent a specific type of tourist oriented business. The sample was drawn from many sources, but the companies interviewed from a specific category were not necessarily members of the association mentioned. However, all businesses were similar (in nature) to the type of business typically represented by the association named.

TABLE B-4: GEOGRAPHIC DISTRIBUTION OF SAMPLE - General Sector

		<u>REGIONS</u>				
	Total Companies	North	Central	Southwest	Metro	East
<hr/>						
° <u>General</u>						
Agriculture, Forestry, Fishing	1	-	1	-	-	-
Mining	1	-	-	-	-	1
Construction	16	6	5	1	2	2
Food & Tobacco	2	-	1	-	-	1
Textiles & Leather	3	-	-	1	1	1
Natural Products	7	2	2	1	2	-
Chemicals, Metals, Electrical	3	1	-	1	1	-
Transportation & Public Utilities	4	-	1	1	1	1
Wholesale Trade	10	1	2	3	2	2
Retail Trade	25	5	7	4	6	3
Finance Insurance & Real Estate	7	1	1	2	3	-
Business-Personal	13	2	3	1	4	3
Human Services	9	3	2	1	-	3
Total General	101	21	25	16	22	17
%	100	21	24	16	22	17

TABLE B-5: GEOGRAPHIC DISTRIBUTION OF SAMPLE - Tourism

		<u>REGIONS</u>				
	Total Companies	North	Central	Southwest	Metro	East
<hr/>						
° <u>Tourism</u>						
N. Ontario Tourist Outfitters	18	17	-	-	-	1
Ont. Ski Resorts	3	1	1	-	-	1
Resorts Ontario	8	3	4	1	-	-
Ont. Private Campgrounds	9	3	3	1	-	2
Ont. Marina Operators	4	1	-	1	1	1
Ont. Hotel & Motel	23	3	2	6	7	5
Accommodation Motel Ontario	23	3	4	6	5	5
Ont. Motor Coach/ Transportation	4	-	1	1	2	-
Attractions Ont.	8	2	1	1	2	2
Restaurants & Food Services	37	6	5	7	15	4
Alliance Cdn. Travel Agents	2	-	1	-	1	-
Total Tourism	139	39	22	24	33	21
%	100	28	16	17	24	15
Total Sample	240	60	47	40	55	38
%	100	25	20	16	23	16

TABLE B-6: COMPANY SIZE DISTRIBUTION OF SAMPLE - General Sector

		Size of Company (no. of employees)					
Total							
Companies		1 - 5	6 - 10	11 - 19	20 - 29	30 - 49	50 - 99
° General							
Agriculture, Forestry, Fishing	1	1	-	-	-	-	-
Mining	1	-	-	-	-	-	1
Construction	16	4	5	2	1	-	4
Food & Tobacco	2	-	-	1	1	-	-
Textiles & Leather	3	-	1	2	-	-	-
Natural Products	7	-	1	2	3	-	1
Chemicals, Metals, Electrical	3	1	-	-	-	1	1
Transportation & Public Utilities	4	-	1	1	1	1	-
Wholesale Trade	10	2	3	2	1	2	-
Retail Trade	25	9	4	5	3	3	1
Finance Insurance & Real Estate	7	3	-	1	1	-	2
Business-Personal	13	6	3	-	3	-	1
Human Services	9	6	-	-	1	2	-
Total General	101	32	18	16	15	9	11
%	100	31	18	16	15	9	11

TABLE B-7: COMPANY SIZE DISTRIBUTION OF SAMPLE - Tourism

		Size of Company (no. of employees)					
Total							
Companies		1 - 5	6 - 10	11 - 19	20 - 29	30 - 49	50 - 99
° <u>Tourism</u>							
N. Ontario Tourist Outfitters	18	17	-	1	-	-	-
Ont. Ski Resorts	3	-	1	1	-	1	-
Resorts Ontario	8	2	2	2	1	-	1
Ont. Private Campgrounds	9	8	1	-	-	-	-
Ont. Marina Operators	4	1	-	3	-	-	-
Ont. Hotel & Motel	23	5	8	7	2	1	-
Accommodation Motel Ontario	23	19	-	2	-	2	-
Ont. Motor Coach/Transportation	4	-	-	1	1	1	1
Attractions Ont.	8	3	1	2	-	1	1
Restaurants & Food Services	37	4	4	11	9	5	4
Alliance Cdn. Travel Agents	2	-	-	-	1	-	1
Total Tourism	139	59	17	30	14	11	8
%	100	42	12	22	10	8	6
Total Sample	240	91	35	46	29	20	19
%	100	38	15	19	12	8	8

APPENDIX C

ANECDOTAL DESCRIPTIONS OF INDUSTRY
SECTOR PROBLEMS

The following selected anecdotes and general remarks were taken from discussions with interviewed representatives of small business. They are intended to illustrate some of the problems related to government regulations and paperburden.

° **Income Tax Forms**

- a) Several company representatives said that if the corporate income tax forms were less complicated, their bookkeeper could handle the work, but as ^{it} is now a tax accountant is necessary.

° **UIC Records**

- a) Some part-time employees do not work long enough to qualify for UIC benefits, but the employer still must submit UIC premiums and maintain the records for a long period of time.
- b) Despite the fact that UIC benefits are calculated on a specific work week basis, in some businesses the work week varies with the amount of business. Rather than putting in the extra effort required to calculate UIC premiums under these changing conditions, one employer records the time and UIC premiums on the basis of a standard work week. He then makes up the difference at the end of the season or pays for extra work done in cash. Another employer considers his help to be temporary, pays each in cash and leaves declarations and deductions up to the employees.

° **Customs and Excise**

- a) Small scale, occasional importers often make use of the postal service. However when one importer was trying to sort through the complicated customs forms and questioned the duty rates, it was suggested that he use a customs broker.
- b) A food wholesaler has been importing the same brand of cookies twice a year for several years, but every time they go through customs, there is a long delay while the shipment is checked for animal by-products.

- c) Due to the vague classifications for some goods, the decision on whether a good can be imported and the tariff involved depends on the interpretation of the customs officer in charge. One importer noted that he shares his experiences with other importers to determine which point of entry is least restrictive or costly for specific goods. Another importer found it was cheaper to land a specific good in Alberta and truck it to Ontario.

° Human Rights

- a) A cleaning service operator felt that his business required employees with a low level of skill, but a neat appearance and trustworthy conduct. These criteria excludes some elements of the population and can be viewed as discriminatory.
- b) A health spa and salon catering to female clients required female staff for a specific position. It was delayed one month in opening while waiting to get a human rights exemption which allowed sexual discrimination in filling the position in question.
- c) One campground operator described a situation where rowdy clients have disturbed other guests and this creates the potential to damage his business. He indicated that when he anticipates trouble, he informs the potential problem group that no space is available. However, he is concerned that he is then susceptible to charges of discrimination.

° Product Content Labelling

- a) A producer and wholesaler of sausage and specialty meats felt that strict enforcement of labelling laws would force him to close his business because his product ingredients vary according to customer requirements and labelling would be impossible.
- b) A furniture manufacturer indicated that upholstery material is sometimes received with no content label. This can result in a major effort to track down the supplier and clarify the product content. In some cases, the suppliers do not keep the needed records.

° Transportation of Dangerous Goods

- a) One wholesaler commented that the regulations are so long (600 pages), complicated, and all encompassing that it would take a chemist to understand everything.
- b) A buyer was charged for violation of the Transportation of Dangerous Goods Act when he was stopped during the transporting of urinal screens. It was deemed that the deodorant pad on the screens contained a dangerous chemical. The buyer threatened to stop dealing with the manufacturer over the incident because he was not told of the potential problem, however the manufacturer was also unaware that the pad was considered to be a dangerous good under the Act.
- c) A member of The Ontario Trucking Association joked that in the case of an accident, the driver has to make so many phone calls (approximately 70) that he must be equipped with a bag full of quarters.
- d) The owner of a garage which sells custom paints and finishes, said that he can no longer use college students as part-time drivers for deliveries. The part-time drivers must undergo extensive training or professional drivers have to be hired. Both options are costly for his operation and will likely result in a reduction of customer service.

° Sales Tax Regulations

- a) The under \$1 - over \$1 sales tax regulation causes some problems for small operators in the restaurant and snack bar trade. One restaurant owner indicated that his cash register automatically calculates and adds on tax. While this is generally acceptable, bills of under \$1 require that he underpunch the price so that proper amount is recorded. However, at the end of the day he has to go over the receipts and recalculate the actual tax.
- b) One grocery store owner felt that the number of exempt items caused confusion for cashiers (e.g., drinks containing greater than 25% fruit juice are tax exempt). Where the cashier cannot remember or is unsure if tax is appropriate, the customer is not charged any tax.

° Food Production and Distribution

- a) Grocery stores must devote equal space to displays of canned and bottled drinks. One operator who serviced mainly outfitters and remote communities using air access, said that stocking bottles is a waste of space. His customers do not buy bottles because cans are safer for transportation.

° Public Health and Safety Regulations

- a) The safety inspector reviewed building plans for a nursing home. The design included a two foot corridor that was 4" narrower than the required 6' width. The violation was not considered important and the plans were approved. However, two years after completion the building has been deemed to be not in compliance and as a result the whole wall must be moved to increase the corridor width. Because of the needed structural changes, the nursing home administrator estimated that moving the wall could cost up to \$200,000.
- b) New fire regulations require that a theatre operator must make \$10,000 worth of changes. The building is cement block, located away from other buildings, and has several direct outdoor exits. The owner feels that there is no new fire hazard and that in his case the regulations have been interpreted in an overly strict manner.
- c) The owner of a chiropractic clinic recalled a continual battle with a safety inspector involving many small alterations. Following the retirement of the inspector in question, a new inspector previewed the circumstances and indicated that the previous changes made to ensure compliance had been unnecessary. However, he stated that the need for a fire door had been overlooked and that this was essential.
- d) A motel operator indicated that because he operates one second floor unit, his building was reclassified as two storey and therefore requires a special fire escape from the second floor and a major new sprinkler system. The operator views this application of the regulations as over kill.

- e) Another motel owner indicated that the pool on his property needs to be altered before it can be opened up for public use. However, local health and safety inspectors have not been able to give the necessary direction regarding what the exact requirements are. The inspectors have in fact suggested that the provincial authorities need to be contacted. The situation remains in limbo and the lack of accessibility to the pool confuses guests.
- f) In another case, a swimming pool was deemed to be inadequate for a commercial operation, however it was acceptable for personal use. The owner suggested that when guests request to use the pool, they are told of the situation and are requested to say that they are friends of the owner (if any one asks).
- g) Another frustrated motel operator, filled his pool in with sand.
- h) A campground operator indicated that he had to obtain the services of a lawyer so that the Health and Safety office would specifically outline their exact requirements for alterations.

° **Worker's Compensation**

- a) High premiums as a result of inappropriate risk classification were cited by several companies. In one case, a wholesaler who only imported and repackaged cookies was classified as a manufacturer which carries a higher risk factor. A similar complaint was made by an owner of a maid service which was classified as a janitorial service.
- b) One restaurant owner stated that a female employee had apparently hurt her back during a fall at work and as a result made a claim under Worker's Compensation. However, the employee who was not due back for several weeks because of the injury, was seen horseback riding. Upon further investigation, it was discovered that both her brother and husband were also collecting Worker's Compensation benefits. Bringing this situation to the attention of Worker's Compensation, did not result in any action.

° Liquor Laws

- a) One restaurant owner was concerned about his inability to meet the 60:40 regulations on the basis of his client mix. As a result, he adjusts the actual figures for the liquor report so that the stated ratio is close to or in compliance with the 60:40 rule.
- b) One restaurant owner felt that the liquor board inspectors are too busy to look closely at many small operations and therefore the likelihood of him being charged with non-compliance was low.
- c) Another restaurant owner felt that she had to offer three meals a day in order to sell enough food to meet the 60:40 rule. The extra volume does not justify the extra expenses but it was considered necessary action to keep a liquor licence.

° Statistical Surveys

- a) One motel operator indicated that each year he receives a questionnaire asking the same basic questions and that the answers should always be the same. As a result, he simply photocopied one of the questionnaires and now uses the same answers for all surveys.

APPENDIX D

LIST OF CONTACTS & INTERVIEWS

TABLE D1: INTERVIEWS CONDUCTED WITH ASSOCIATION OR GOVERNMENT REPRESENTATIVES

TOURISM REPRESENTATIVES

CONTACT	POSITION	ASSOCIATION/GOVERNMENT AGENCY
Mr. Bruce Gravel	Executive Director	Accommodation Motel Ontario's Association
Mr. Mark Jamison	Executive Director	Ontario Restaurant & Foodservices Association
Mr. Shawn Markey	Manager	County of Renfrew Development Committee
Mr. Dave Paul	Tourism Co-or.	Eastern Ontario Ont. Ministry of Tourism
Mr. John Payne	Tourism Co-or.	Northern Ontario Ont. Ministry of Tourism
Mr. Roly Michener	Executive Director	Tourism Ontario Inc.
Ms. Jan Field	Manager	Rainbow Country Ont. Travel Association

GENERAL SECTOR

CONTACT	POSITION	ASSOCIATION/GOVERNMENT AGENCY
Mr. Alastair McKichan	Executive Director	Retail Council of Canada
Mr. Jeffrey Hall	Director	Canadian Organization of Small Business
Mr. Eric Owen	Comptroller & Man.	Small Business Division Cana. Manuf. Association
Mr. Ray Cope	Vice President	Ont. Trucking Assoc.
Judith McDonald Andrew	Director, Prov. Affairs for Ont.	Canadian Federation of Independent Business

TABLE D2: TRADE ASSOCIATIONS CONTACTED FOR SAMPLE SELECTION

GENERAL SECTOR

CONTACT	POSITION	ASSOCIATION/GOVERNMENT AGENCY
Trish O'Malley	President	Can. Assoc. of Women Executives
Tony Wilshaw	President	Can. Fed. of Independant Grocers
Kenneth Kyle	Executive VP	Can. Home Builders Assoc.
Bruce Powe	V.P.	Can. Life & Health Ins. Assoc.
Cliff Bulmer	Secretary	Council of Ont. Contractors Assoc.
Ken Martin	Executive Director	Insurance Broker's Assoc. of Ontario
Harry Pelissero	President	Ont. Federation of Agriculture
Robert Loughlan	Manager	Ontario Forest Industries Assoc.
Helen Meddows	Executive Director	Ontario Lumber Manufacturers Assoc.
Pat Reid	Executive Director	Ont. Mining Association
Mr. Duggan	Director of Management Serv.	Ont. Nursing Home Assoc.
Ray Cope	Executive V.P.	Ont. Trucking Association
William Potter	President	Trust Companies Assoc. of Can.
Willy Cooper	Executive Director	Ontario Graphic Arts Assoc.

TABLE D2: TRADE ASSOCIATIONS CONTACTED FOR SAMPLE SELECTION

TOURISM SECTOR

CONTACT	POSITION	ASSOCIATION/GOVERNMENT AGENCY
Carl Martin	Executive Director	Ontario Marina Operators
Karen Jamer	Manager	Alliance of Can. Travel Assoc.
Bob McKercher	Executive Director	Northern Ont. Tourist Outfitters
Mr. Bruce Gravel	Executive Director	Accommodation Motel Ont. Assoc.
Mr. Don McIlveen	Executive Director	Ont. Ski Resorts Assoc.
Mr. Brian Crow	General Manager	Ont. Motor Coach Assoc.
Mrs. Cathie Keen	Managing Director	Resorts Ontario
Mr. Bob Hilliard	Executive Director	Attractions Ontario
Mrs. Pat Cashin	Managing Director	Ont. Private Campground Assoc.
Mr. Mark Jamison	Executive Director	Ont. Restaurant & Foodservices
Mr. John Guthrie	Executive Director	Ont. Hotel & Motel Assoc.

TABLE D3

LIST OF SMALL BUSINESS CONTACTS

GENERAL INTERVIEWS

REGION: METRO

COMPANY NAME	CONTACT	POSITION	LOCATION
° The Old Hide House	Don Dawkins	Owner	Acton
° Goodmans's China & Gift Store	Mr. Goodman	Owner	Downsview
° Armand Furniture Design Ltd.	Mr. A. Abbou	Manager	Downsview
° Ceramic Tile Centre Ltd	Ricardo Cruz	Acct/Bookkeeper	Cooksville
° Westbury Life Insurance Co.	Mr. E.G. Gershon	President	Etobicoke
° P.B. Leasing	Mr. William Bell	Vice-President	Etobicoke
° Chrysler Life Insurance Co. of Canada	Mr. G.G. Sampson	Vice-President	Mississauga
° West Island Moving & Storage	Sharron Giles	Owner/President	Mississauga
° Lakeside Marketeria	Bill Hill	Owner	Oakville
° Rexway Toyota Ltd.	Lang Chee	Owner	Rexdale
° Advance Masonry Ltd.	Mr. Henkel	Comptroller	Rexdale
° S.C. Bradley Insurance Brokers	Stan Bradley	Owner	Scarborough
° Kingsmill Foods Co. Ltd.	Barbara Spears	General Manager	Scarborough
° Bryer, Jack & Company	C.J. Bryer	Comptroller	Toronto
° Amco Products	Paul Grosby	Asst. Comptroller	Toronto
° Summerhill Market	Wayne McMullen	Owner	Toronto
° Shemello Contractors Ltd.	Diane O'Brian	Bookkeeper	Toronto
° A Perfect Touch	Arlene Pearson	Owner	Toronto
° Grayhound Capital Canada Ltd	Mr. McAllef	VP-Controller	Toronto
° Figure & Face Salons Ltd.	Anne Dranilsaris	Senior Manager	Toronto

GENERAL INTERVIEWS

REGION: METRO

COMPANY NAME	CONTACT	POSITION	LOCATION
° Atlantic Fur Co.	Jackie Gladstone	Bookkeeper	Toronto
° Accurate Machine & Tool Ltd.	Mr. Kopski	Comptroller	Weston

REGION: CENTRAL

COMPANY NAME	CONTACT	POSITION	LOCATION
° Sinclair & Meddick Gen. Contractors	Ken Meddick	Owner	Baltimore
° Barrie Press Inc.	Mr. Bill Linton	Owner/Manager	Barrie
° Georgian Bay Appraisers	John Bureau	Owner	Barrie
° C. Allan & S Coak Ltd.	Tom Maidleu	Controller	Barrie
° E.R. Alexander Construction Co. Ltd.	John Alexander	Owner	Barrie
° Hayden's Mr. Grocer	Jack Hayden	Owner	Beaverton
° Mornwood House	Mrs. M. Krizanc	Ex. Director	Bowmanville
° Hummel's Feed Mill	Mrs. Hummel	Bookkeeper	Clinton
° Becker Shoes Ltd.	Earl Becker	Owner	Hanover
° Muskoka Rent-All Ltd.	Sarah Cartrite	Bookkeeper	Huntsville
° Lake's IGA	John Ingham	Accountant	Lakefield
° Lindsay Custom Pallets Ltd.	Al Hussey	Manager	Lindsay

GENERAL INTERVIEWS

REGION: CENTRAL

COMPANY NAME	CONTACT	POSITION	LOCATION
° Smith Valu-Mart	Ted Smith	Owner	Listowel
° Muskoka Smoke House & Deli	Fred Lock	Owner	MacTier
° The Crow's Nest	Susan Gusota	Owner/Manager	Midland
° Burnie's Drive-In Bakery	Ralph Harpman	Owner	Midland
° Orangeville Transport Ltd.	Mr. Hugh Bracken	President	Orangeville
° McLean & Dickie Ltd.	George McLean	Partner	Orillia
° Dickson Dental Lab	Karl Dickson	Owner/Manager	Orillia
° Barton Feeders Co. Ltd.	Mr. B. Little	Manager	Owen Sound
° Graher Home Builders Assoc.	Bill Voaks	President	Owen Sound
° Frank Maura Construction	Frank Maura	Owner/Manager	Peterborough
° Video Town (Cinema)	Mr. Tedford	Owner	Sauble Beach
° Middleton's Home Furnishings	Mr. Middleton	Owner	Wingham

REGION: EAST

COMPANY NAME	CONTACT	POSITION	LOCATION
° G. Tackaberry & Sons. Co. Ltd.	Joan Tackaberry	Treasurer	Athens
° 4B Wood Products	Mr. R. Braceland	President	Barry's Bay
° W.T. Hawkins Ltd.	Shirley Woodcox	General Manager	Belleville

GENERAL INTERVIEWS

REGION: EAST

COMPANY NAME	CONTACT	POSITION	LOCATION
° KAR Auto Electric Ltd.	Juliette Houle	Office Manager	Carleton Place
° Cobourg Matting (1977) Ltd.	Doug Campbell	Comptroller	Cobourg
° Winemaker's Corner	Bob Wilson	Owner	Cornwall
° Warner Van & Storage	Glenn Warner	President	Deep River
° Four Seasons Sports	L. Dalzell	Owner	Eganville
° Anjeska Riding Stables	Molly Collins	Co-Owner	Foresters Falls
° Canada Talc Industries	Laurrie Polton	Comptroller	Marmora
° Cruickchank Construction Ltd.	Bardy Rowland	Asst. Manager	Morrisburg
° Herb Shaw & Sons	Mark de Grosbois	Account	Pembroke
° Ellenvaletta Acres Nursing Home	David Hall	Owner/Admin.	Perth
° The Hair Den	Joice Feleber	Owner	Petawawa
° Metro Cleaners	Harris Yatman	Owner	Picton
° Renfrew Auto Parts	Wayne Park	Owner	Renfrew
° For Your Eyes Only (Optician)	Gordon Bride	Owner	Trenton
° Rob Brown Nuns Wear Ltd.	Rob Brown	Owner	Trenton

GENERAL INTERVIEWS

REGION: SOUTHWEST

COMPANY NAME	CONTACT	POSITION	LOCATION
° Claire Shellington & Sons Ltd.	Paul Shellington	Secretary	Blenheim
° Grose Craft Inc.	Bob Grose	Owner	Brantford
° Lampman's Valu-Mart	Erland Lampman	Owner	Delhi
° Northrup King Seeds Ltd.	Ed Taylor	Asst. Finance Mg.	Galt
° Canadian General Life Ins. Co.	Jack W. Roberts	Pres. & Chief Cer. Officer	Hamilton
° Innerkip Meat Packers	Carmen Velatchi	Office Manager	Innerkip
° Bel-Air Cartage Inc.	Mr. C.J. Schluter	Manager	Kitchener
° Morriston Park Nursing Home	Mrs. Urfey	Asst.-Admin.	Puslinch
° Richmond Valu-Mart	Len Parliament	Owner	Richmond
° Empire of Canada Ltd.	Ms. D. Hudson	Gen. Manager	St. Catharines
° Mister Pet	Mark Charlebois	Owner	Sarnia
° Professional Business Promotion	Mr. Reed Bannister	Manager	Simcoe
° Ron Hornburg Construction	Ron Hornburg	Owner/Operator	Waterloo
° The Plant Lady Inc.	Suzanne Kavanagh	Office Manager	Waterloo
° Acme Chrome (Windsor Ltd)	Mrs. Schallenberger	Sect./Treas.	Windsor
° Barney Printing Ltd.	John Barney	Owner	Woodstock

GENERAL INTERVIEWS

REGION: NORTH

COMPANY NAME	CONTACT	POSITION	LOCATION
° Harlies Supermarket Ltd	Dennis Wallin	Owner	Dryden
° Towne Cash & Carry	Len Barnes	Owner	Far Falls
° Espanola Optical Lab	Ross Othen	Owner	Espanola
° Fort Frances Times Ltd.	Mr. R. A. Cumming	Editor	Fort Frances
° Marino's Hardware	Ted Marino	Owner	Geraldton
° Claude's Valu-Mart	Claude Fortier	Owner	Hearst
° Royal Theatre	Irene Bouchet	Owner/Manager	Kapuskasing
° King Construction Ltd.	Terry Johnson	Partner	Kenora
° New Beginning Hair Design	-	Owner	Kirkland Lake
° Magnetawan Building Centre	Jack Mowbray	Owner	Magnetawan
° Martin Chiropractic Clinic	Mrs. Martin	Sec/Treasurer	New Liskeard
° Parry Sound Fitness Centre	Diane Wallace	Owner	Parry Sound
° Robert Higgins Construction	Robert Higgins	Owner	Sault Ste Marie
° Seamless Cylinder International Inc	Laurie Masters	Asst. Manager	Sault Ste Marie
° Arrow Plumbing Inc.	Mr. Halgin	President	Sault Ste Marie
° Saldon Development	Joe Martello	Comptroller	Sault Ste Marie
° Klimack Construction Ltd.	Alex Klimack, Sr. Alex Klimack, Jr.	Director President	Smooth Rock Falls
° Dalron Home Ltd.	Frank Arnold	Office Manager	Sudbury
° Thunder Bay Insurance Service Ltd.	J. Bernard Baxter	Owner	Thunder Bay

GENERAL INTERVIEWS

REGION: NORTH

COMPANY NAME	CONTACT	POSITION	LOCATION
° Lehto Printers Ltd.	Alan Lehto	Owner	Thunder Bay
° B & B Stone & Concrete Products Ltd.	Mrs. L. Wakewich	Payroll Officer	Thunder Bay

TOURISM

REGION: METRO

COMPANY NAME	CONTACT	POSITION	LOCATION
° Jake's Boathouse	Mike Cuttle	Owner	Brampton
° 7 & 7 Motel	Mr. Tomicki	Owner	Brampton
° Absinthe Pub & Coffee Shop	Paul Leonard	Owner	Downsview
° Cross Eyed Bear	Terry O'Brien	Owner	Etobicoke
° Hennessey's	A.T. Pagonis	Owner	Islington
° Port Credit Harbour Marina	Tim Herbert	Acct/Manager	Mississauga
° Halton Motel	Mr. Groh	Manager	Mississauga
° Moodie's Motor Inn	Mr. Joseph Moodie	Owner	Pickering
° Emerald Isle Motel	Alexander Epskin	Owner	Richmond Hill
° Gillham Motels Ltd.	Hazel Gillham	Owner	Scarborough
° White Star Motel	Mr. K. Raja	Owner	Scarborough
° New Plaza Hotel	Mr. Z. Jaffer	Owner	Scarborough
° Rainbow Motel	Joan Scrogdins	Manager	Toronto
° Beach Motel	Mrs. S.L. Young	Owner	Toronto
° Scadding Cabin	Janet Watt	Chairperson	Toronto
° Casa Loma	Mr. Muchnik	Manager	Toronto
° Casa Mendosa Inc.	Mrs. Iwasykyn	Owner	Toronto
° Boat Tours International	June Robinson	Controller	Toronto
° Evergreen Motel	Mr. John Kaszycki	Owner	Toronto
° Shore Breeze Motel	Ron Butwell	Manager	Toronto

TOURISM

REGION: METRO

COMPANY NAME	CONTACT	POSITION	LOCATION
° Able Travel Brokers Ltd.	Brian Wren	Dir. of Admin.	Toronto
° Toronto Tours	John Ryan	Pres./Partner	Toronto
° White Swan Motel	Karl Ziegler	Owner	Toronto
° Montreal Restaurant/Bistro	Brigitte Lang	Owner	Toronto
° Rose & Crown	Ben Cameron	Owner	Toronto
° Cowan's Bottom Line	Bob Cowan	Owner	Toronto
° Solitaire's	Donna Kimber	Owner	Toronto
° The Elephant & Castle	Gord Josie	Manager	Toronto
° Hart's Restaurant	Andrew Fear	Owner	Toronto
° Breadsreads	Neil Davies	Owner	Toronto
° Bardi's Steak House	Alex Manikas	Owner	Toronto
° The Market Grill	Bill Vernon	Owner	Toronto
° Egan Restaurants	Dennis Egan	Owner	Toronto
° Yank's	Linda Kinnerer	Owner	Scarborough

REGION: CENTRAL

COMPANY NAME	CONTACT	POSITION	LOCATION
° Greystone Tavern & Restaurant	Anna Wiedenmann	Owner	Aurora
° Alna Tours & Travel Ltd.	Al Navor	Owner	Barrie
° Crock & Block	Dale Harrison	Day-Asst/Manager	Barrie

TOURISM

REGION: CENTRAL

COMPANY NAME	CONTACT	POSITION	LOCATION
° Lofty Pines Motel	Donna McQuillen	Owner	Bracebridge
° Muskoka Lake Navigation & Hotel Company Ltd.	Russ Brown	Manager	Gravenhurst
° Wig-A-Mog Inn	Joan Ward	Owner	Haliburton
° Halimar Resort	Mr. Guy Ramsey	Owner	Haliburton
° Travellers Inn Motel Hanover Ltd.	Mr. Williams	Manager	Hanover
° Pow Wow Point Lodge	Jack Howell	Owner	Huntsville
° Carleton Bus Lines Ltd.	Ted Moorehead	Comptroller	Kinburn
° Union Creek Fish 'n' Chips	Bill Gusterson	Owner	Kinmount
° Smith's Camp	Rick Smith	Owner	Midland
° Miller Family Camp	Mrs. Miller	Owner	Miller Lake
° Spring Valley Park	Ron Cross	Owner	Mount Forest
° Al's Restaurant	A. Sapalonski	Owner	Orangeville
° Lakeside Motel	Donald McCulloch	Owner	Orillia
° Knight's Inn	Thelma Houston	Owner	Orillia
° Fern Resort	Robert Downing	President	Orillia
° Wenonah Motor Court	Ross Wooldridge	Owner	Peterborough
° Flemings's Fine Dining	Ted Carruthers	Partner/Owner	Peterborough
° Pinelands Resort	Allan Reville	Owner	Port Carling
° Blue Bay Motel	Lloyd Adams	Owner	Tobermory

TOURISM

REGION: EAST

COMPANY NAME	CONTACT	POSITION	LOCATION
° Country Squire Motel	Perry Robinson	Owner	Arnprior
° Best Western Sword Motor Inn	Ken Willocks	Manager	Bancroft
° Mountain View Motel	Diane Smaglinski	Owner	Barry's Bay
° Ottawa White Water Rafting	Margaret Horton	President	Beachburg
° Chapleau Lodge Resort	Bob Landry	Owner	Chapleau
° Limestone Cafe	Bert Pecheco	Owner	Belleville
° Flying Dutchman Motor Inn	Calvin Robinson	Owner	Brockville
° Cardinal Motel	Mrs. R. McCue	Owner	Cornwall
° River Mill Restaurant	Clark Day	Owner	Kingston
° Irwin Inn of Stony Lake Inc.	Mrs. Irwin	Owner/Partner	Lakefield
° Blue Heron Inn	Mark Janusz	Owner	Mallory Town
° Prehistoric World	Claire Dupuis	Co-owner	Morrisburg
° Caravan Camp	Jack Barkley	Man/Owner/Oper.	Morrisburg
° Hy's Steak House	Marianne Thompson	Accountant	Ottawa
° Christopher's Restaurant	Ken Goodhue	Manager	Ottawa
° Mount Pakenham Ski Resort	John Clifford	Owner/Pres.	Pakenham
° Dreamland Motel	Lillian Butler	Owner	Pembroke
° Perth Plaza Motel Ltd.	Mr. Thomas Raftery	Owner	Perth
° Len's Cove Marina	Judy Horsfall	Co-owner/Man.	Portland
° Island Park Campground	Carl Kashin	Owner	Stirling
° Butler Motor Hotel	Zaher Hirji	Owner/Manager	Vanier
° Hay Lake Lodge	Phil Morlock	Owner	Whitney

TOURISM

REGION: SOUTHWEST

COMPANY NAME	CONTACT	POSITION	LOCATION
° Alexander Tavern	Mrs. Parisas	Owner	Belle River
° Town & Country Motel	Mr. Anthony Toth	Owner	Burlington
° Satellite Motel	Mr. Chris Oei	Owner	Cambridge
° Chatham Hotel	Garth Stout	Owner	Chatham
° River Road Inn	Tim Toms	Manager	Courtwright
° Indian Lake Campground	Don Young	Owner	Fonthill
° Oakwood Inn Resort	Irene Kennedy	Manager	Grand Bend
° Baron's Motor Inn	Jeanette Thompson	Manager	Kitchener
° Bingeman Park	Jonas Bingeman	Co-owner	Kitchener
° Barney's Restaurant	Paul Schram	Owner	London
° Maid of the Mist Steamboat Co. Ltd.	Frank Simon	Gen. Mnager	Niagara Falls
° Terrace Court Motel	Mr. Patel	Owner	Niagara Falls
° Canuck Motel	Zul Merani	Manager	Niagara Falls
° Butler's Den Restaurant	Lois Hobbs	Owner	Niagara-On-The-Lake
° The Trading Post Restaurant	Karl Vothknecht	Owner	Paris
° Marlon Marina Inc.	G. Marleau	President	Port Colborne
° Sheridan Inn	Manjit Manghe	Owner	St. Thomas
° Country Motel	Mrs. Lundie	Owner	Simcoe
° Stratford Hotel	David Mullock	Owner/Manager	Stratford
° The Church Restaurant	Joseph Mandel	Owner	Stratford
° Country Fair Restaurant	Jane King	Owner	Tillsonburg

TOURISM

REGION: SOUTHWEST

COMPANY NAME	CONTACT	POSITION	LOCATION
° The Courts	Mrs. Comarar	Owner	Windsor
° Ambassador Motel	Mary Wachna	Owner	Windsor
° Woodstock Inn	Mr. E. Murck	Owner	Woodstock

TOURISM

REGION: NORTH

COMPANY NAME	CONTACT	POSITION	LOCATION
° French River Supply Post and Marina	Mrs. Lacrosse	Owner	Alban
° Bonnie Bay Camp	Barney Ogilvie	Owner	Dryden
° Goose Bay Camp	Andrea Langford	Owner	Far Falls
° Northern Frontier Zoo	Pierre Belanger	Manager	Earlton
° Elliot Lake Aviation Ltd.	Bruno Rapp	Owner	Elliot Lake
° Laurentian Lodge	Melanie Seal	Owner	Elliot Lake
° Rainbow Motel	Peter Leek	Owner	Fort Frances
° Gogama Lodge and Outfitters	Dick Harlock	Owner	Gogama
° Gordon's Lodge	Mr. Rusk	Manager	Gore Bay
° Stokely Creek Ski Lodge	Carolyn O'Connor	Manager	Goulais River

TOURISM

REGION: NORTH

COMPANY NAME	CONTACT	POSITION	LOCATION
° Dante's Tavern & Restaurant	Dante Camisa	Owner	Kapuskasing
° Halley's Camp	Wanda Halley	Sec./Treas.	Kenora
° Yesterday's Restaurant	Irv. Plosker	Owner	Kenora
° Camp Klahanie	Susanne Cary	Owner	Magnetawan
° O-Pee-Chee Lake Lodge	Tom Renaud	Owner	Marten River
° Valois Motel	Ella Valois	Owner	Mattawa
° Buckeye Camp	Madeline Sparks	Owner	Mattawa
° Red Deer Lodge	Albert Dott	Owner	Nestor Falls
° The Chalet Lodge	Susan Joseph	Manager/Owner	Nipigon
° Royal Windsor Lodge	Olga Jalkanen	Owner	Nipigon
° Inn & Tennis Club at Manitou	Richard Cobbing	Bus. Manager	Parry Sound
° Fish Haven Restaurant	Katherine Saar	Owner	Parry Sound
° Monroe Park	May Monroe	Owner	Powassan
° Central Patricia Outfitters	Ellis Bottenfield	Owner	Pickle Lake
° Camp Ge-Kay Da	Carolyn Worster	Bookkeeper	Pointe-au-Baril
° Camp Conewango	Bill Kiedyk	Owner	Redbridge
° Algonquin Hotel	Dave Stanghetta	Owner	Sault Ste Marie
° Lock Tours Canada	Jim Kelly	Accountant	Sault Ste Marie
° Frog Rapids Camp	Lawrence Bower	President	Sioux Lookout
° Abram Lake Tent & Trailer Park	G.A. Baverstock	Owner	Sioux Lookout
° Temagami Marine Ltd.	Bill Kitts	President	Temagami

TOURISM

REGION: NORTH

COMPANY NAME	CONTACT	POSITION	LOCATION
° Holiday Inn Motel	George Jacob	Owner	Thunder Bay
° Neebing Road House	John Beals	owner	Thunder Bay
° Fort Motel	Barb McKay	Owner	Thunder Bay
° Happyland Campground	Rose & Fritz Altmann	Owners	Thunder Bay
° Pedro's Restaurant	Pedro Gonzales	Owner	Timmins
° Albert's Hotel	Vic Larocque	Owner	Timmins
° Northern Lights Restaurant	Len Luoma	Owner	Wawa

APPENDIX E
INTERVIEWER GUIDE

INTERVIEWER GUIDE

Interviewer Name _____ Date _____

Canada-Ontario
Telephone Survey Questionnaire
Small Business Regulation/Paperburden
Study

Name of Business _____

Number of Employees _____ (full time equivalents)

Data Received: Full time _____

Seasonal _____ (months _____)

_____ (months _____)

_____ (months _____)

Part time _____ (hrs per wk _____)

_____ (hrs per wk _____)

_____ (hrs per wk _____)

_____ (hrs per wk _____)

_____ (hrs per wk _____)

_____ (hrs per wk _____)

Region _____

Industry _____

Contact Person _____

Position _____

Address _____

Telephone _____

A. Problems In Federal Sectors.

1. In this first part of the questionnaire we are interested in problems or irritations faced by your company as a result of federal regulations or paperwork. In your package, there is a list of some areas affected by federal controls. Please tell me if you have a problem in any of these areas.

Areas of Federal Government Control

_____ COMMUNICATIONS: e.g. broadcasting, telephone, telegraph, telecommunications, cable T.V., etc.

_____ CONSUMER PROTECTION/INFORMATION: e.g. disclosure, labelling, advertising, packaging, weights/measures, sales techniques, etc.

_____ CULTURAL/RECREATIONAL: e.g. residency, language, Canadian content, lotteries, gambling, sports, bilingualism, etc.

_____ ENERGY: e.g. nuclear, hydro, natural gas, etc.

_____ ENVIRONMENTAL MANAGEMENT: e.g. pollution control, resource development, wildlife protection, land use, Federal properties/Native resources, etc.

_____ FINANCIAL MARKETS AND INSTITUTIONS: e.g. banks, trust/finance companies, pension plans, insurance, interest, loans and mortgages.

_____ FOOD PRODUCTION AND DISTRIBUTION: e.g. agricultural products, marketing, food products grading, fisheries, etc.

_____ FRAMEWORK (organizational regulations): e.g. competition policy, bankruptcy laws, corporation laws, industrial design, patents, trademarks, election laws, etc.

_____ HEALTH AND SAFETY: e.g. occupational health and safety, product use regulations, product content regulations, building codes, animal/plant health, etc.

_____ HUMAN RIGHTS: e.g. antidiscrimination, protection of privacy, etc.

_____ LABOUR: e.g. collective bargaining, minimum wage laws, employment standards, etc.

_____ LIQUOR LAWS: e.g. alcohol content.

_____ PROFESSIONAL/OCCUPATIONAL LICENCING: e.g. marine/pilots licencing.

_____ TRANSPORTATION: e.g. airlines, marine, railways, pipelines, trucking, postal express, transport dangerous goods, etc.

_____ TAX: e.g. income tax, corporate tax.

_____ METRICATION.

_____ CUSTOMS/EXCISE.

_____ UIC/ CPP.

_____ STATISTICAL SURVEYS.

_____ ASSISTANCE TO BUSINESS (grants, etc.).

_____ OTHER (specify). _____

2. You mentioned _____ areas where problems occur. Please rank these from 1 to _____; where 1 is the area creating the most severe problems and _____ is the least.

***** RANK NO MORE THAN 10 AREAS *****

3. To help us understand your problems; briefly describe the most irritating or restricting problem you face.

Area (from above) _____

Name of Department _____

Name of form (if applicable) _____

4. On a scale of 1 to 5; where 1 is severe and 5 is minor, how would you rate this problem for your company?

1	2	3	4	5
Severe		Moderate		Minor

5. How does your organization deal with this problem?

6. It sounds like this problem is caused by:

- _____ the content of the regulations
- _____ the paper work required
- _____ the administration or enforcement
- _____ overlapping or conflicts with other requirements

7. In your pacakage there is a list of characteristics for (Regulations,
Paperwork, Administration) problems. Please tell me which of these apply
in your case.

Are there any others you would like to add?

Characteristics of Regulatory Problems

- _____ requirements result in high cost of compliance
- _____ requirements result in excessive time required for compliance
- _____ requirements too complex
- _____ requirements not intelligible (don't make sense)
- _____ requirements too simplistic
- _____ requirements can not be met
- _____ requirements not achieved intended purpose
- _____ requirements were established to solve a problem, but the problem no longer exists
- _____ requirements hurt small business more than large business (no tiering)
- _____ requirements inhibit entrepreneurship or stifle risk-taking
- _____ requirements inhibit development or adoption of new technology
- _____ requirements may be unconstitutional (beyond legislative authority)
- _____ requirements may be contrary to Charter of Rights and Freedoms
- _____ other (specify) _____

Characteristics of Paper Work Problems

- _____ unnecessary variation in records retention periods
- _____ retention periods too long
- _____ retention periods too short
- _____ retention periods not consistent with other legal requirements
- _____ unlimited retention periods/government approval to destroy required
- _____ duplication of information requests
- _____ information requests too frequent
- _____ information requests too costly to meet
- _____ information requests seek sensitive information
- _____ no apparent pay-off to small business for supplying information
- _____ form too complex
- _____ form not relevant
- _____ other (specify) _____

Characteristics of Administration or Enforcement Problems

- _____ lack of openness
- _____ lack of accountability
- _____ decision-making too slow
- _____ authorities not responsible
- _____ decision-making too fast
- _____ too open (confidential business information should not be so accessible)
- _____ not timely (occurs too early or too late)
- _____ lack of understanding of small business needs, problems, circumstances
- _____ erratic decision-making; decisions seem to be arbitrary (no apparent rules)
- _____ unfair treatment
- _____ inconsistent treatment (including regional disparity)
- _____ over-reaction (use of sledgehammer to kill a fly)
- _____ other (specify) _____

B. Problems in Provincial Sectors

1. In your package, there is a list of some areas affected by provincial controls. (Again we are only concerned with regulation or paperwork related problems.) Please tell me if you have a problem in any of these areas.

Areas of Provincial Government Control

_____ COMMUNICATIONS: e.g. telephone, telecommunications.

_____ CONSUMER PROTECTION/INFORMATION: e.g. disclosure, labelling, advertising, packaging.

_____ CULTURAL/RECREATIONAL: e.g. residency, language, Canadian content, sports, bilingualism, etc.

_____ ENERGY: e.g. hydro, natural gas, etc.

_____ ENVIRONMENTAL MANAGEMENT: e.g. pollution control, resource development, wildlife protection, land use, etc.

_____ FINANCIAL MARKETS AND INSTITUTIONS: e.g. trust/finance companies, pension plans, insurance, interest, loans and securities/commodities.

_____ FOOD PRODUCTION AND DISTRIBUTION: e.g. agricultural products, marketing, food products grading, etc.

_____ FRAMEWORK (organizational regulations): e.g. corporation laws, election laws, etc.

_____ HEALTH AND SAFETY: e.g. occupational health and safety, product use regulations, product content regulations, building codes, animal/plant health, health services, etc.

_____ LABOUR: e.g. collective bargaining, minimum wage laws, employment standards, Worker's Compensation, etc.

_____ LIQUOR LAWS: e.g. distribution and sale.

_____ PROFESSIONAL/OCCUPATIONAL LICENCING: e.g. certification/licencing, registration, etc.

_____ TRANSPORTATION: e.g. railways, pipelines, inter-city buses, inter-province, trucking, transport dangerous goods.

_____ TAX: e.g. income tax, corporate tax.

_____ SALES TAX.

_____ RENTAL CONTROL.

_____ STATISTICAL SURVEYS.

_____ ASSISTANCE TO BUSINESS (grants, etc.).

_____ OTHER (specify). _____

2. You mentioned _____ areas where problems occur. Please rank these from 1 to _____; where 1 is the area creating the most severe problems and _____ is the least.

***** RANK NO MORE THAN 10 AREAS *****

3. Briefly describe the most irritating or restricting problem you face.

Area (from above) _____

Name of Department _____

Name of form (if applicable) _____

4. On a scale of 1 to 5; where 1 is severe and 5 is minor, how would you rate this problem for your company?

1	2	3	4	5
Severe		Moderate		Minor

5. How does your organization deal with this problem?

6. It sounds like this problem is caused by:

- _____ the content of the regulations
- _____ the paper work required
- _____ the administration or enforcement
- _____ overlapping or conflicts with other requirements

7. In your pacakage there is a list of characteristics for (Regulations, Paperwork, Administration) problems. Please tell me which of these apply in your case.

Are there any others you would like to add?

C. Problems in Municipal Sector

1. In your package, there is a list of some areas affected by municipal controls. please tell me if you have a problem in any of these areas.

Areas of Municipal Government Control

- _____ CONSUMER PROTECTION/INFORMATION: e.g., Conditions of Sale
- _____ CULTURAL/RECREATIONAL: e.g., Sports
- _____ ENVIRONMENTAL MANAGEMENT: e.g., Land Use, planning/zoning, development approval, sub-divisions
- _____ FRAMEWORK: e.g., Election Laws
- _____ HEALTH AND SAFETY: e.g., Products - Use, explosives, firearms, chemicals, building codes, health services, nursing homes, private hospitals, emergency services, animal health, public health/restaurants, plant health
- _____ HUMAN RIGHTS: e.g., Anti-discrimination, legislation, in respect to hiring, sale of goods or services, Protection of privacy, personal information reporting
- _____ TRANSPORTATION: e.g., Taxis, pipelines, urban transit
- _____ BUSINESS LICENCES
- _____ TAXES
- _____ HOURS OF SERVICE
- _____ PARKING
- _____ ASSISTANCE TO BUSINESS
- _____ STATISTICAL SURVEYS
- _____ OTHER (specify) _____

2. You mentioned _____ areas where problems occur. Please rank these from 1 to _____; where 1 is the area creating the most severe problems and _____ is the least.

***** RANK NO MORE THAN 10 AREAS *****

3. Briefly describe the most irritating or restricting problem you face.

Area (from above) _____

Name of Department _____

Name of form (if applicable) _____

4. On a scale of 1 to 5; where 1 is severe and 5 is minor, how would you rate this problem for your company?

1	2	3	4	5
Severe		Moderate		Minor

5. How does your organization deal with this problem?

6. It sounds like this problem is caused by:

_____ the content of the regulations

_____ the paper work required

_____ the administration or enforcement

_____ overlapping or conflicts with other requirements

7. In your package there is a list of characteristics for (Regulations, Paperwork, Administration) problems. Please tell me which of these apply in your case.

Are there any others you would like to add?

D. Closing

- 1. To give us a sense of priority; which level of government creates the most serious problems for you.

Federal _____ Provincial _____ Municipal _____

(Confirm the area, i.e. the highest rank in the chosen government.)

"This would be of course in the area of _____"

- 2. Do you have any other comments or suggestions to add?

Thank you for your time and your input.

E. Tourism Sector Only

Two of our tasks are:

- Examine the costs of complying with these requirements
- Identify ways to reduce the problems

1. For the problems discussed, which one restricts your business the most and therefore needs improvement first?

Level of Government:

Federal	Provincial	Municipal

2. a) If the problem is handled in-house:

- How many times a year does your staff have to respond to this government requirement?

- What is your best guess at the total number of man hours needed each time your company responds? (i.e. How many people and how much time does each spend.)

- Who responds usually - proprietor/staff?
- What is the average salary of the person(s) involved?

--

b) If the problem is handled by outside advisors:

- What is the typical bill to have this task performed?

--

° Who handles it? _____ Accountant
_____ Bookkeeper
_____ Lawyer
_____ Family member
_____ Other _____

3. Are there any other important costs to your business? Associated with compliance?

4. Do you have any suggestions concerning how this procedure could be improved?

5. Do you have any other comments to make?

Thank you for your time and input.

